Daily Report

Latin America

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CONTENTS

INTER-AMERICAN AFFAIRS

L. American Communists Meet, Issue Communique *[Moscow]* 1

CARIBBEAN

Cuba

Hope Expressed on RSA Withdrawal From Angola 2
Rodriguez Returns From South Commission Meeting 2
Accord With GDR on Textile Modernization 2
Plants To Produce New Animal Feed Planned 2

Haiti

Protests Against Expulsion of Priest Continue 2
Bishops Protest Expulsion 2
Jeremie Priests' Statement 3
Lay Groups Call for Change 5
5 Arrested at Vigil 6
Arrested Include KID Members 6

MEXICO

Sepulveda Meets With Cypriot Foreign Minister *[Nicosia TV]* 8
Cuba's Rodriguez on North-South, L.A. Prospects *[EL DIA 5 Aug]* 8
Briefs 9
Cooperation With Cuba 9
Foreign Reserves Reduction 9

CENTRAL AMERICA

Costa Rica

Arias Praises Shultz Presence in Area 10

El Salvador

President Duarte Returns From U.S. 10 Aug 10
ARENA Sets Conditions for Approving AID Funds 10
Army Accused of Forcibly Drafting Students 10

Guatemala

Cerezo Comments on Destabilization 'Rumors' 10

Honduras

Azcona on Esquipulas, U.S. Elections, Aid 11
Azcona on Efforts To Fight Drug Trafficking 12
Army Reports Sandinist Soldiers' Defection 13

Panama

Former President Arnulfo Arias Dies 10 Aug 13
Death Creates 'Vacuum' 13
Government Decrees Mourning 14
Ortega Terms Shultz Remark 'Madness,' 'Lie' *[EFE]* 14
Noriega To Address Rally at Former U.S. Base 14
Columnist Calls for Expulsion of PCC Officials *[LA REPUBLICA 9 Aug]* 15
Housing Minister: U.S. Army Not Paying Rents *[MATUTINO 9 Aug]* 16
Molirena Leader on Solis Palma's 'Limited' Role 16

SOUTH AMERICA

Argentina

Central Bank President on World Bank Loan 17
Crespo Delivers Air Force Day Address 17
Legislators To Observe Chilean Plebiscite *[EFE]* 18
Government To Send Military Observers to Iran 18
USSR Offered '100 MIG Fighters' for Falklands War *[BUENOS AIRES HERALD 10 Aug]* 18

Bolivia

Finance Minister Resigns To Head IDB Delegation 19
Cabezas Named to Post 19
Revenue Ministry Abolished 20

Brazil

Finance Minister Nobrega Threatens to Resign *[EFE]* 20
Government Supports Policy 21
Sarney Signs Decree 'Liberating' Frozen URP 21
Sarney Creates Federal Privatization Council 21

Chile

Nuclear Commission Head Outlines Projects *[EL MERCURIO 30 Jul]* 21
Returning Communist Saez Paiva Arrested *[EL MERCURIO 3 Aug]* 22

Ecuador

Cabinet Sworn In Following Inaugural Address *[EFE]* 22
Febres-Cordero Gives State of Nation Address 23
Cuba's Fidel Castro Comments on Visit *[Havana]* 23
Further on Comments *[Havana TV]* 24
Meets With Presidents *[Havana]* 25
Lusinchi Arrives for Borja Inauguration 26
Foreign Minister's Welcome 26
Lusinchi Responds 27

L. American Communists Meet, Issue Communique

PY1008161688 Moscow in Portuguese to Brazil 2200 GMT 9 Aug 88

[Text] Representatives of the Communist Parties of Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Panama, Paraguay, Peru, Uruguay, and Venezuela participated in the third meeting of South American Communist Parties in Montevideo on 5 and 6 August.

Observers from the Communist Parties of Cuba and the Soviet Union, and representatives of the Nicaraguan Sandinist Liberation Front, the Salvadoran FMLN, the Commission of Peace and Socialism, and Guyana's Popular Progressive Party [words indistinct] also participated in the meeting.

The communique issued at the end of the meeting discusses the general situation in the region and the struggle of their peoples in defense of democracy, peace, and workers' interests.

The representatives described the current situation in the region and drafted proposals to face the deep changes taking place in the modern world.

The representatives confirmed the irreversible character of the Cuban revolution, discussed the strengthening of the Nicaraguan revolution, discussed the violent situation in El Salvador, and analyzed the influence of imperialism in Central America.

The communique says that international solidarity with the Guatemalan movement and support for the Contadora Group and the Contadora Support Group constitute an important contribution to the political recovery of Central America.

The communique states that the representatives wish to strengthen their solidarity with Latin American and world patriots in their struggle of liberation.

The document says that the progress attained by pacifists in Bolivia, Brazil, and Uruguay, the control of the military situation in Argentina, the defeat of the right wing in Ecuador, the defeat of regressive movements in Mexico, and the advance of progressive movements in several countries are proof of the widespread victory of democracy on the continent.

The document stresses that it is important for Communist Parties to search for mutual understanding with progressive parties representing intellectual and student sectors. Perestroyka in the Soviet Union, the correction of Cuban mistakes, and the process of reorganization and renewal in other socialist countries all give new strength to the movement throughout the world, the communique states.

The effort of Communists throughout the world strengthens the struggle for peace. An example of this effort is the treaty for nuclear arms control and the destruction of short- and medium-range missiles. This effort makes Communists hope that armed conflicts among countries will soon end, armaments will cease to be produced, and the resulting resources will be used to resolve important social problems, particularly in Third World countries.

The document concludes by saying that the participants in the meeting decided to intensify their exchange relations and that meetings such as this will help strengthen the solidarity of revolutionary, democratic, and anti-imperialist movements on the continent.

Cuba

Hope Expressed on RSA Withdrawal From Angola

FL1008211688 Havana Radio Reloj Network in Spanish 1938 GMT 10 Aug 88

[Text] The withdrawal of South African troops from southern Angola, which is to be completed prior to 1 September, will apparantly be the beginning of the end to one of the most aggressive chapters of Pretoria's policy against neighboring states. For 13 years now, Angola has been the racists' main target against the Frontline States, and it has lost approximately $18 million which could have been used for developement. In addition to this, tens of thousands of victims have been reported.

The South African regime announced that the withdrawal of its troops will conclude prior to 1 September. We hope that it will comply with the agreements reached at the quadripartite talks and that it will facilitiate the actions of peace-loving states.

Rodriguez Returns From South Commission Meeting

FL1008145888 Havana Tele-Rebelde Network in Spanish 1100 GMT 10 Aug 88

[Text] Carlos Rafael Rodriguez, member of the PCC Politburo and vice president of the Councils of State and Ministers, has returned from Mexico, where he participated in the third meeting of the South Commission.

This commission, which is presided over by former Tanzanian head of state Julius Nyerere, is composed of 25 members from Latin America, Africa, and Asia.

Accord With GDR on Textile Modernization

FL0908145088 Havana Radio Progreso Network in Spanish 1100 GMT 9 Aug 88

[Text] Cuba and the GDR have signed an agreement for the modernization of a textile plant in the western part of the country. The work will conclude in 1995 and will allow the industry to increase its annual production by 20,000 tons of thread and 20,000 square meters of textiles.

Plants To Produce New Animal Feed Planned

FL1008174188 Havana Television Service in Spanish 0000 GMT 10 Aug 88

[Text] A new product to feed several animal species has been created at the Institute of Animal Science, ICA, located in San Jose de Las Lajas. The following report deals with the prospects for this animal feed, called sacharina [sacharina]:

This product is prepared from sugarcane. It has protein levels close to those of corn and wheat, raw materials imported principally from capitalist countries. This Cuban-made product makes it possible to resolve the problem of feeding cattle and to save foreign exchange.

[Begin recording] [First speaker] This product was given the name of sacharina because it comes from sugarcane, which belongs to the genus Saccharum, and from protein, which gives it the "ina" ending. In other words, sacharina is a product that synthetizes protein from sugarcane. The technological process is a new one which has never been carried out anywhere else in the world, according to available publications.

[Second speaker] Imports for around half the pig population can be replaced by this locally made product. If we consider that at this time we are producing around 100,000 tons of meat, the inclusion of sacharina in the diet of pigs could help us produce 200,000 tons; in other words, we can double present production by using sacharina made here in our institute. [end recording]

It is believed that production of this new feed could help increase meat production significantly. Experiments are already underway on cows because it is expected that sacharina will also help increase milk production. Plants will be built in all the provinces to produce sacharina, which Fidel has described as an agricultural revolution on a world scale.

Haiti

Protests Against Expulsion of Priest Continue

Bishops Protest Expulsion

FL1008204088 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 10 Aug 88

[Text] The Archdiocese of Port-au-Prince learned in a note from the department in charge of worship on 8 August that the military government had expelled Canadian Father Rene Poirier on 5 August.

The department in charge of worship said that Father Poirier's presence in Haiti had become undesirable because of his behavior and because of statements he had made publicly that were disrespectful to Haiti.

Father Rene Poirier is a priest, a member of a missionary order called the Clerks of St Viator. He is the responsibility of his religious superior. He worked as Grand Goave parish priest under the responsibility of the bishops of the Archdiocese of Port-au-Prince. He was allowed to contact neither the father superior of the Clerks of St Viator nor the Archdiocese of Port-au-Prince.

The Episcopal Council of the archdiocese declares that it cannot accept the brutal way in which Father Poirier was seized from the presbytery in Grand Goave and taken to the Port-au-Prince airport, put on a plane, and sent back to his country. The Episcopal Council of the Archdiocese of Port-au-Prince protests the way Father Poirier was expelled. The way he was expelled is not the Haitian people's traditional way of treating foreigners in Haiti. That is not the way respect for people's dignity is shown.

The Episcopal Council of the Archdiocese of Port-au-Prince informs the priests of the Viatorian order that it shares their suffering like a brother. The council also shares the great sorrow of God's people in the parish of Grand Goave. It asks them to continue praying firmly during the novena in preparation for the festival of the Assumption of the Virgin Mary, the lady wearing the sun and a crown of 12 stars on her head—Apocalypse 12:1; she who triumphed over death, she who is Haiti's patron saint. It is in her that Christians (?are placing) their confidence during the difficult moment Haiti is experiencing.

That is the statement of the Episcopal Council of the Archdiocese of Port-au-Prince on the Grand Goave situation. It was signed for the Archdiocese of Port-au-Prince on 9 August 1988 by: Msgr Francois Wolf Ligonde, archbishop of Port-au-Prince; Msgr Joseph Lafontant, auxiliary bishop of Port-au-Prince; Msgr Louis Kebreau, auxiliary bishop of Port-au-Prince; and Father Charles Benoit, vicar general of the archdiocese.

Jeremie Priests' Statement

FL0908223388 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 9 Aug 88

[Text] Twenty-three priests from the diocese of Jeremie protest with all their strength against the expulsion of Father Rene Poirier by the military government, saying:

Like everyone else, we, a group of priests working in the Diocese of Jeremie, learned over the radio how the military government expelled a young Canadian priest, Father Rene Poirier. This is a priest who left the Villa Manrese [well-appointed church locale in a cool, traditionally well-heeled section of Port-au-Prince] of his own accord to go work with poor peasants in the parish of Grand Goave.

We in Jeremie were extremely shocked to hear of his expulsion. We were even more shocked today, when we heard over the radio why they shipped Father Poirier out abruptly on the next plane out of Haiti without any formalities.

According to a communique from the Ministry of Information, Father Poirier was expelled because of some strange statements he allegedly made right to everyone's face. These statements allegedly constitute a threat to the government's security and that is why they supposedly carted him away, like a pile of trash to go dump in Canada.

Since the Ministry of Information has never said, nor is it capable of saying, anything that is in the interests of the Haitian people, we are continuing to wonder why they threw Father Poirier out of the country. What crime did he commit to deserve such punishment?

According to the story we have heard, Father Poirier had gone to a chapel in a Grand Goave parish called Sainte Anne. A section chief whom he was seeing for the first time in his life came and asked him a lot of questions, such as: What time is the mass beginning? When will it end? How many people will be attending? etc. Father Poirier answered: I don't know. If you want to know, stay and attend it, and you will see with your own eyes. This is how we, too, would have answered.

The section chief, or macoute, apparently left in a big huff as a result of the priest asking him to show his macoute card as identification. He did not have any identification.

Are these the words, reported to higher-ups by the section chief, that the Ministry of Information is describing as strange statements that threaten the government's security? What constitution, what law, gives the Army the right to check what time church or voodoo temple services begin or end; how many adults and how many children, how many males and how many females, attend; and what color of clothes they wear? Is this what the military government calls democracy? Does everyone who wants to practice his faith wherever he may choose—be he Catholic, Protestant, or a practitioner of voodoo—have to give the Army his name every time he intends to attend a service?

Since the Ministry of Information never tells the truth, we sought to inform ourselves. We learned that the assistant magistrate of Grand Goave had sent Father Poirier a letter inviting him to go applaud General Namphy, who would be passing through Grand Goave on his way to Les Cayes. Father Poirier answered that he was not going to get involved in such masquerades. He said that the people of Grand Goave get no schools, no doctors, no dispensaries, no medicine, no food, no work, and no respect, and that therefore how could he, who is suffering along with them, go applaud those preventing the people from having these things? He said he felt that his conscience and his role among the people did not permit him to participate in such masquerades.

If this is really the way Father Poirier answered, we agree with him 100 percent, and he really does deserve the title of priest. That is what we, too, would have said. We would have said even more had we been in his place because it is time for poorly-disguised clowns to stop flaunting their presence in Haiti.

We priests of the Grande Anse most energetically protest this act by the military government against one of our colleagues. We are crying out loudly that we protest both the expulsion and the way it was done. They took Father Poirier away without his passport, without a cent in his pocket, without any explanation, without any trial, not giving him time to see either his superior or his ambassador. Things like this are possible only under macoute governments.

We would like everyone to understand our position well. We are not defending a foreigner. We are defending respect for everyone, for all children of God. Nor are we

defending a priest. We are defending the right of everyone accused of something to defend themselves, the way they should be allowed to do.

We are not interested in whether Rene Poirier is a white man or a black man, or a priest or not a priest. That is not the point. The point is that the military government is trying to shut the mouths of everyone who speaks of deliverance for the Haitian people. The point is that the military government is trying to do away with everyone who is on the side of the Haitian people, the way they did away with Lafontant Joseph, Yves Volel, and many others.

Because we consider this very important, we reiterate: We are not protesting because it is a priest that they have thrown out of the country. People who listen to the radio have heard us before, during various difficult situations we have been through with the people. We are protesting because we can no longer stand this miserable situation in which, through their bad faith, the leaders have placed the Haitian people.

We are first Haitians and then priests. As Haitians, it is our right and our duty to get involved in our country's affairs, because the country is not the private property of two or three individuals. It belongs to the entire nation. It is not the private property of either Duvalier or those who put themselves in Duvalier's place. The country belongs to the Haitian people. If anyone should be comfortable in Haiti, if anyone should be well-off in Haiti, it is the Haitian people. And it is for the Haitian people that we are giving our lives.

That is why we are not at all serene at seeing that the military have taken power without the Haitian people having given it to them. We know, we are firmly convinced, that the military are simply incapable of installing democracy in a country. Neither can they provide schools, employment, food, health care, housing, respect for all, or land for the small peasants.

We are also not serene at seeing the leaders of the church in which we live—our bishops—not say anything about many strange things that have been happening in Haiti for some time now. They had always said that it was God, who has life, who entrusted to them the people of this country so that they could accompany the Haitian people along the path of deliverance—just as God, who has life, entrusted the people of Israel to Moses. The church has always said that it is struggling for justice, freedom, and truth for all. Just look and see how the military government is putting blinders on the people, with lies, bluffs [preceding word in English], and injustice. The leaders of the church have not denounced this at all. Does this mean the leaders of the church are in favor of everything that is being done?

When the leaders of the church do manage to speak out, what they say is so unclear that nobody knows who is being addressed. No one feels addressed. No one feels any twinges of conscience. Jesus Christ was not in the habit of wrapping his words so that people (?could) not understand him. Jesus felt that (?Herod) was a sly fox, or macoute. The Pharisees, or macoutes, whitewashed only tombs.

Msgr Gayot, you who are the chairman of the Episcopal Conference of Haiti, where are you? The Haitian people are drowning. What do you have to say to them? Please wake up. The people are waiting to hear something from you. Something clear, something direct, something they can understand, something that shows clearly what side you are on.

Msgr Ligonde, you who are the head of the country's largest diocese, the Haitian people are perishing under the military government. What are you going to say before it's too late?

Msgr Laroche, you who are the deputy chairman of the bishops conference and who are always so moved by the plight of the poor, are you going to leave the Haitian people to perish without saying a word in their favor?

Msgr Constant, you who are the chairman of the Justice and Peace Commission, you who are the chairman of Caritas Haiti, you who are the chairman of Radio Soleil, the Haitian people are getting no justice. The hearts of the Haitian people are not at ease. The Haitian people are not getting accurate information, nor schools, nor creole pigs, nor honor, nor respect. What do you have to say about this before it's too late?

Msgr Romelus, the Haitian people trust you. They know (?you will not) allow them to intimidate you; your words have upset many people, even within the church. You spoke out firmly and clearly on Sunday, 31 July 1988, at the mass you celebrated in memory of the massacre of the small peasant farmers of Jean-Rabel. Speak to the people again.

Msgr Verrier, you who are in charge of Misyon Alfa [Catholic Church's literacy program], whose mission it is to open people's eyes, to awaken their awareness, to unseal their lips—are you going to allow the people to perish without saying a few little words of hope?

Msgr Colimon, you who are the expert [preceding word in English] at praying, you know full well that prayer is taking the woes, suffering, and calamities of the people and laying them before God and taking God's answer and laying it before the people. But you have never told the people what answer the god of deliverance gave you in prayer. The people would like to know what words of hope God has given you for the Haitian people.

Msgr Poulard, you are the youngest of all the bishops. You are little David. You have an important mission, amidst your colleagues. Don't let routine, or power, or

privilege make you forget where you came from. You are familiar with the Haitian people's pain and poverty. Do you think you will be able to simply stand by and watch, without taking a stand?

Msgr Lafontant, you bear the same name as Lafontant Joseph. Please rouse yourself. You are the secretary of the Episcopal Conference. Take the place of your namesake, Lafontant Joseph, to defend the masses that the military dictatorship is oppressing.

Msgr Kebreau, if you are related to the deceased Father Kebreau, remember how he was never one to mince words. It is time to make a clear statement, so that the Haitian people can know whose side you are on.

Bishops of ours, people all over are saying that the church has betrayed the people. People all over are saying that the church has gone over to the side of the macoutes and carved out a niche for itself, that the church has abandoned the young and the peasants, that the church has destroyed Misyon Alfa.

Manigat walked into the palace over a pile of bodies. The macoute military then threw him out in order to oppress the people still further. The church said nothing. There is a proverb to the effect that saying nothing implies consent. It is time for you to speak out clearly.

You must be clear on how the fact that the system known as U.S. imperialism connives with the macoute military and the bourgeois without consciences is the reason that Haiti is in this condition.

It is time to denounce all those people clearly in such a way that everyone can understand you. It is time to roll up your shirtsleeves, come down from the heights where you sit, and take your places at the side of the Haitian people in the struggle for deliverance, as you said at the stadium in Port-au-Prince on 7 March 1986, the day you celebrated the mass to launch Misyon Alfa.

Bishops of ours, please, please, open your eyes—and mouths—wide. Father Poirier is only the beginning. There could very well be many more such cases. Are you going to wait for them to throw everyone who works with the Haitian people out of the country? Are you going to wait for them to kill off everyone who works with the Haitian people before you take a firm stand in the interests of God's people?

It is not our intention, as priests from the Grande Anse, to be disrespectful to anyone. We still have some manners left, thank God. And our faith leads us to believe that the bishops exist to lead God's people, like proper guardians. If we are speaking out like this today, in a way to make everyone understand, in a way to make everyone hear, it is due to the strength of the Holy Spirit that is driving us. It is the fire of Jesus Christ's love, together with the suffering of the Haitian people, that has forced us to open our mouths to say: Things cannot go on this way. The Haitian people cannot stand any more suffering. The love of Jesus Christ goes hand in hand with the truth. When you tell the truth, it is not in order to be disrespectful to anyone. It is because you want things to function the way they ought to function. St Paul tells us that it is truth that will bring us deliverance.

We would not like to end this note without saying to the Viatorian Fathers: Take heart. Fear nothing. The Lord is with you.

We take this opportunity to say to all the priests whom they have already manhandled, as well as to all those whom they have threatened: Do not allow yourselves to be intimidated. Continue the work of opening the Haitian people's eyes. Carry it through to the end. One way or another, regardless, it is the Haitian people who will have the last word.

Neither would we like to end this note without appealing vigorously to all the priests, preachers, nuns, monks, voodoo practitioners, and everyone else who has engaged himself completely in the service of the people; to all the small grass roots churches; to all the peasant cooperative action groups; to all the youth; to all the democratic movements; to all the workers; and to all the unions to rise up and form a single bloc to counter the blows that have already been struck and the blows that are coming.

We feel a need to stop talking [words indistinct] so we can get really organized to clean up the country of everything that is dirtying it. It is those who deserve to be thrown out of the country who should be thrown out, because it is that class of people [klas moun sa yo; reference to Duvalierists] who are preventing our beautiful country from functioning the way it should.

[Signed] A group of priests who under Jesus Christ when he grabbed a rope from which to make a whip for use in driving out the bunch of thieves who were dirtying God's temple in his country. [sentence as heard]

Jeremie, 6 August 1988

Lay Groups Call for Change

FL1008163588 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 9 Aug 88

[Text] Representatives of 12 lay groups have gotten together to reflect upon all of Haiti's current problems. They say: A majority of the Haitian people are clear about the need for a series of conditions in order for the country to really change. Like the majority of the Haitian people, the representatives of these 12 lay groups are not in favor of either the idea of macoutes or the macoute system established in Haiti since 1957.

Here is the first condition for establishing freedom and democracy in Haiti: The ideas and desires of the majority of the Haitian people must be pursued. The will of no

person, nor any group of people, can be substituted for the will of the majority of the Haitian people. This means that a person who has appointed himself chief of state represents nothing.

The will of a group of people making their own law in Haiti cannot represent anything. Thus, the only government with a right to run the country is a government on which a majority of people in the country agree, insofar as the identity of the head of the government, the way in which it came to power, and its program are concerned.

Another condition is that the majority of the people enjoy security so that they can say what they think and meet when and where they wish.

A third condition is that the government respect the following rights: an individual's right to life and dignity, the right to work, the right to learn, and the right to justice without wheeling and dealing or patronage.

There are abuses that must stop immediately, such as the business of the macoutes and the Army thinking they have a right to do as they please with both the people and the country's wealth, and the business of beating and shooting people, arresting people without warrants, forcing people to flee into hiding, and expelling people by force, be they Haitian or foreign, priests or secular individuals, without respecting human rights.

In view of the macoute action taken by the government on 5 August 1988, when it expelled Father Rene Poirier, we agree with the petition signed by more than 350 people in Grand Goave asking that the priest be allowed to return to his parish. We also agree with what the youth of Petit Goave have said about the matter. We agree with the wonderful declaration made by the group of priests from the diocese of Jeremie on this matter.

We are taking initiatives in connection with all these matters, both before the Episcopal Conference and before the conference of clergymen.

[Signed]: Christian Workers Youth [Jenes Ouvriye Kretien]

Catholic Workers Action [Aksyon Ouvrier Katolik]

Fraternity of Committed Laymen, Port-au-Prince [Fraternite Laik Angaje, Frala]

Fraternity of Committed Laymen, Petit Goave

Justice and Peace Committee, Port-au-Prince [Komite Jistis ak Lape]

(Carl Leveque) Center

Solidarity Among Christian Youth [Solidarite Jen Kretyen]

Small Grassroots Churches, Port-au-Prince [Ti Kominote Legliz]

Heart of Pentecost, Caridad section [of Port-au-Prince] [Ker Pankot Caridad]

Solidarity Among Youth, Port-au-Prince [Solidarite Ant Jen]

Youth Pastoral Committee of Saint Gerard [Komite Pastoral Jen, Sen Jerar]

Keep-An-Eye-on-Them Cooperation Group [Konbit Veye Yo]

5 Arrested at Vigil

FL1008164888 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 10 Aug 88

[Text] According to information we have just received, the military have run rampant in Grand Goave. Last night they arrested people and fired shots. They arrested five youths during a prayer vigil at Grand Goave parish church.

[Correspondent Max Metellus] Last night, more than 500 Christians from Grand Goave parish organized a vigil of solidarity with Father Rene Poirier in the courtyard of the presbytery in Grand Goave. Father Rene is the parish priest exiled by the Army on 5 August 1988.

At 0210 the Army appeared before the presbytery, fired several shots in the air, and arrested five youths who were standing guard in front of the building. Here are the names of the youths: Frantz Pascal, Narelien Normil, Frantz Belrus, Kerline Belrus, and Berrouet Lafontant.

These arrests did not diminish the will of the Christians, who were singing and yelling "Long live Jesus" and "Down with Satan," and shouted that they needed Father Rene. The faithful say that they are occupying the presbytery while waiting for the leaders of the church to say something (?to them).

Arrested Include KID Members

FL1008215788 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 10 Aug 88

[Excerpts] [Announcer] The military in Grand Goave, after shooting during the night around the parish church where the town's young people had assembled for a prayer vigil, have arrested five young people. Here is our Petit Goave correspondent with details. [passage omitted]

During the course of the morning, the Army and the magistrate of Grand Goave entered the presbytery and threw the young people out. Later, they left in a jeep with the five young people they had arrested. Max A. Metellus will give us more details.

[Metellus] [Passage omitted] The theme of the vigil was the return of Father Rene Poirier to his parish—and for brother (Luc Denomme), a clergyman working with Father Rene, to remain at the parish until the church leaders made a statement.

On Wednesday, 10 August, early in the morning, Army reinforcements arrived in Grand Goave. At 1000, the Father Superior of the Clerks of St Viator came to Grand Goave to take Brother (Luc Denomme) away with him. The young people inside the presbytery said Brother (Luc) was not going anywhere.

At 1100, the Army, accompanied by magistrate (Luc Jean Delon), who is the president of the Grand Goave branch of (Bordey Nasyonal) [association of voodoo priests headed, nationally, by Max Beauvoir], climbed over the presbytery courtyard wall, sawed off the chain on the presbytery gate and forced the young people inside to leave.

The father superior of the Clerks of St Viator left with Brother (Luc Denomme).

There are currently soldiers guarding the Grand Goave presbytery.

At noon, a Cherokee jeep left with the five young people arrested on Tuesday night. No one knows where they have been taken. As soon as the five young people were taken away, fear spread among families in Grand Goave, and parents are disguising [ap maske] their children in order to get them out of Grand Goave.

We interviewed two people as they left. Let's listen to what they told us.

[Begin youth recording, in progress] ...cannot get on it. The (?young people) will never be able to get on it, because the conditions that we would have to meet in order to get on the train are conditions set forth by a camouflaged dictatorship. But we ourselves do not want any more camouflaged dictatorships. [end recording]

This is Max A. Metellus, Radio Soleil, Petit Goave.

[Announcer] Among the five young Christians arrested this morning in Petit Goave [as heard], two are members of an organization called Comme Il Faut, which is affiliated with KID, the Confederation for Democratic Unity. KID's central office has made a statement, following the arrests. We remind listeners that the arrests took place in Grand Goave.

[Begin speaker recording] KID brings to the attention of national and international public opinion the arrest of five people who were holding a patriotic vigil in solidarity with Father Rene Poirier yesterday morning at 0200, in Grand Goave. Among the people arrested are two members of the organization called Konbit Comme Il Faut, which is affiliated with KID: Narelien Normil and Frantz Pascal. KID points out that this is not the first repressive act against its members in Grand Goave. Last week, and last month too, they hauled Paul Jean Mario into court, and they have committed several other repressive acts against other Comme Il Faut members in Grand Goave. KID also points out that among the people arrested is a young girl who is menstruating, and the authorities in Grand Goave have refused to accept sanitary napkins for her. KID vigorously protests such repressive actions and demands the unconditional release of the people arrested last night at 0200 during a patriotic vigil in solidarity with Father Rene Poirier in Grand Goave. [end recording]

Sepulveda Meets With Cypriot Foreign Minister

NC0508161188 Nicosia Television Service in English 1550 GMT 5 Aug 88

[Text] Foreign Minister Yeoryios Iakovou went for a 1-day visit to Mexico from Washington today where he had separate meetings with his Mexican and Nicaraguan counterparts.

Mexican Foreign Minister Bernardo Sepulveda assured Iakovou of his country's interest for a just solution to the Cyprus problem, which was their main topic of discussion during the meeting. They also discussed the upcoming foreign ministers' nonaligned meeting in Nicosia in September.

In his meeting with Nicaraguan Foreign Minister Miguel D'Escoto, Iakovou discussed matters relating to the Nonaligned Movement and the latest developments in Central America.

Cuba's Rodriguez on North-South, L.A. Prospects

PA1008012688 Mexico City EL DIA in Spanish 5 Aug 88 pp 1, 3

[Report by Roberto Rodriguez on "exclusive" interview with Carlos Rafael Rodriguez, vice president of the Cuban Councils of State and Ministers, following the inauguration of the third South Commission meeting in Mexico City on 4 August]

[Text] What is your opinion regarding North-South relations?

Obviously, Carlos Rafael Rodriguez said, those relations are not adequate. There is currently an unequal international order that must be modified, he added.

Stating that the current international economic order has seriously affected us during the past decades, Rodriguez stressed: It has always affected us, and the crisis in the international system has worsened our situation.

Therefore, Rodriguez added, one of the objectives of the South Commission is to try to modify that economic order.

[R. Rodriguez] In what way or under which strategies?

[C. Rodriguez] It is most important that we reach an agreement among ourselves.

He recalled a statement by South Commission President Julius Nyerere, who proposed the creation of a debtors forum to deal with the foreign debt problem. However, he said the purpose of this forum would not be to have a unified stance on all the factors involved, but to reconcile positions and reach a general agreement that would enable us to act with strength.

Speaking in a fluent style, Rodriguez said: "We represent the majority of nations in the world...we have an enormous potential; however, we are divided," he said.

He said this is because "each of us looks to the North instead of to the South, although the latter is what unites us and gives us cohesion."

He immediately warned that "unless we unite, we will not have negotiating power, which is a fundamental condition."

Are negotiations enough to make the necessary changes you have mentioned and to confront the crisis?

No, they are not enough yet, he emphatically said.

[R. Rodriguez] Then, what should be done?

[C. Rodriguez] We must strengthen the South in order to offer unique and efficient conditions that will enable us to rectify the international economic order.

Rodriguez recalled that in 1974, the United Nations—supported by all countries except the United States—established a program for a new international economic order. He noted this occurred simultaneoulsy with the signing of the Charter on Economic Rights and Duties of States proposed by Mexican President Luis Echeverria Alvarez, which was approved.

Rodriguez said that nothing, however, has been done in that regard. Nonetheless, he said, "we still believe that a new international economic order is necessary and that forces in the South and in the North—in other words, unions, university students, scientific groups, and even the government—should start moving in that direction."

For example, he said, Sweden is willing, because it maintains different positions on international economic relations.

Forcefully, the vice president of the Cuban Councils of State and Ministers said that "we can mobilize all those forces to pressure for a new international economic order" (NOEI).

On the other hand, concerning the problem of the foreign debt of the Latin American peoples, he said: "We have to agree among ourselves on whatever the terms may be." It is within this framework, he said, that "Cuba really believes the debt is unpayable. Reality is proving us right," he added.

Referring to Mexico, he noted this country has attained better negotiating conditions compared to other countries; however, he noted Mexico has increased its debt, without having fully repaid it. This is what happens to all of us, some in worse conditions than others; this is why he insists we must come together to resolve our social and economic problems.

How can this unity be possible when in Latin America there are political differences, with democracies and dictatorships?

If one looks at the Latin American prospects, he said, we shall see it is the most encouraging of the last 50 years. He added that despite everything, it is encouraging because the number of democracies in the area is growing.

The situation has changed. There are several examples, as in the case of Venezuela, whose president may be Carlos Andres Perez. We also have Brazil, with a modern and progressive constitution; Argentina's situation; Peru; Ecuador's new president, Borja; and in addition, the creation of the Group of Eight. All of these are basic elements, together with the meeting of presidents in Acapulco.

Carlos Rafael Rodriguez added: All of this tells us there is a new democratic climate in Latin America.

He added: "It is true there are isolated cases of reaction and repression, such as the case of the Chilean military government"—and in this connection, Pinochet continues to be growth that we must help the Chileans be rid of.

These are isolated cases, he said, that will start giving in, because, truly speaking, democracy in Latin America has great strength today. We have to work in that direction, he said again.

The officer of a country with a planned economy returned to the topic of the South Commission and said: "We are in Mexico to discuss the South problems and establish the way to resolve them, especially concerning our adequate relations with the North."

This way, he clarified, confrontation with those countries is not the goal, but negotiation on the basis that we have to resolve the problems from the viewpoint of world development.

Finally, he was asked to mention two main problems the area countries are going through.

He replied: "The first is the foreign debt, which is a basic problem, and the second is the economic imbalance in relation with international living."

This, he pointed out, is a result of our lifestyle's being affected precisely because of this imbalance; in addtiion, there is the problem of the consolidation of democracy for all the Latin American peoples.

Briefs

Cooperation With Cuba

Fernando Hiriart, secretary of energy, mines, and parastate industry, has stated that Mexico is cooperating with Cuba in oil exploitation, the steel industry, and railroad operations. According to Hiriart, the two nations are also exchanging technology in the electricity area. He disclosed that Pemex is surveying the Catalina and San Ramon area in Cuba and is giving technical advice in the Cuban effort to increase productivity at the Nico Lopez Refinery. [Summary] [*PA0708184288 Mexico City EXCELSIOR in Spanish 5 Aug 88 pp 4-A, 15-A*]

Foreign Reserves Reduction

Monterrey, Nuevo Leon—During the first half of 1988, Mexico experienced a capital flight amounting to $400 million, which reduced Mexican foreign reserves by almost $2 billion. Foreign reserves were reduced from $13.7 billion to $11.7 billion compared to December 1987 figures. [Excerpt] [*PA0708185088 Mexico City EXCELSIOR in Spanish 5 Aug 88 pp 1-A, 28-A*]

Costa Rica

Arias Praises Shultz Presence in Area

PA1008154388 San Jose Radio Reloj in Spanish 1200 GMT 10 Aug 88

[Text] President Oscar Arias has said he believes the frequent presence of U.S. Secretary of State George Shultz in Central America shows the United States is giving importance to the region.

The president expressed happiness that the United States is truly giving more importance to Central American problems and also because regional peace efforts have received greater support. Arias said he believes that today the United States is more convinced that peace through dialogue and negotiations deserves a chance.

President Arias said the U.S. secretary of state briefed him on his visit to several South American nations, without neglecting the Central American situation and peace efforts. Arias added that Shultz also commented on developments in the region during the past few days, but there was not much fresh news, because little had happened since Shultz was last here, on 1 July.

Arias met with Secretary of State George Shultz at Arias' residence for nearly 2 hours. Also attending the meeting were Vice President Jorge Manuel Dengo, Foreign Minister Rodrigo Madrigal Nicto, and Presidency Minister Rodrigo Arias.

El Salvador

President Duarte Returns From U.S. 10 Aug

PA1008201488 San Salvador Canal Doce Television in Spanish 1900 GMT 10 Aug 88

[Text] President Jose Napoleon Duarte returned to El Salvador at noon today after having been in the United States for 10 days. Duarte arrived in the country around noon today aboard a U.S. Government plane that landed in the Ilopango Air Force Base.

The president has been in the Walter Reed Hospital in the United States where he underwent a second chemotherapy treatment recommended by physicians who performed surgery on him for stomach and liver cancer.

For the time being, no official information on the results of the chemotherapy has been issued. However, it is known that President Duarte reacted to the treatment satisfactorily.

ARENA Sets Conditions for Approving AID Funds

PA1008172488 San Salvador Canal Doce Television 0300 GMT 10 Aug 88

[Excerpts] Sigifredo Ochoa, chairman of the Legislative Assembly's Foreign Relations Committee, has warned the government that ARENA [Nationalist Republican Alliance] will not approve a $125 million donation from the U.S. AID as long as CONARA [National Commission for Reconstruction] is in charge of handling the funds coming from abroad. [passage omitted]

ARENA has set two conditions for approving the donation agreement: first, that the Christian Democratic government turn over to the municipalities 100 of the trucks donated by the Japanese Government; and second, that the $125 million donated by AID be managed by the Salvadoran Municipal Development Institute instead of CONARA. [passage omitted]

Army Accused of Forcibly Drafting Students

PA1008171588 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 10 Aug 88

[Text] Members of the Western El Salvador University Student Association have reported that high school and university students are being forcibly drafted by Army members and paramilitary groups in Santa Ana Department.

According to a communique we have received, at least 30 students have been drafted in the last 48 hours, although they showed documents proving they are students. The communique mentions specific incidents in Chalchoapa and Candelaria, where several youths have been detained. Their relatives have not been able to get the youths released.

The Western El Salvador University Student Association said this type of forcible drafting is an outrage against students because it prevents them from continuing their studies.

Guatemala

Cerezo Comments on Destabilization 'Rumors'

PA1008204188 Guatemala City Teleonce Television in Spanish 1230 GMT 10 Aug 88

[Passages within quotation marks recorded]

[Text] Many rumors about alleged military actions aimed at disturbing constitutional order have been circulating since Tuesday, which was the 90th day since the 11 May uprising.

The rumors are attributed to statements made last evening by Foreign Minister Alfonso Cabrera Hidalgo. This morning President Cerezo attributed rumors regarding alleged military actions to a destabilization campaign mounted by sectors interested in causing problems for the regime.

Helicopters overflying the capital in the morning aroused a sense of uneasiness among the people, although Defense Minister General Hector Alejandro

Gramajo Morales himself explained that many helicopters had been repaired and were undergoing test flights. The defense minister added that three helicopters equipped as emergency hospitals were being tested by Air Force pilots.

It was also reported that a meeting of commanders was held today in which Economy Minister Elizardo Sosa Lopez briefed the military chiefs on the scope of the Guatemalan economic plan extending to the year 2000.

Meanwhile, this morning Foreign Minister Alfonso Cabrera Hidalgo met at the Congress of the Republic with senior officials of the Guatemalan Christian Democratic Party. This meeting generated all kinds of comments and speculation.

It was even said that Vice President Roberto Carpio Nicolle had been urgently recalled from Ecuador, where he is attending President Rodrigo Borja's inaugural. Government spokesmen officially denied this.

Cabrera's meeting with the Christian Democratic leadership was interpreted as a virtual dismissal of the foreign minister. It was even said that his removal will be a demand of an Army sector that was presumably planning to rebel against the government. President Vinicio Cerezo and Defense Minister General Hector Alejandro Gramajo attributed reports on a government crisis to a campaign orchestrated by regime opponents:

[Cerezo] "There is a rumor campaign designed to provoke destabilization in Guatemala. We should not forget that some people would like to bring about a change of government through violent means, but they are a minority. We have confirmed this through investigations. They should have a more nationalistic attitude, because frankly this creates great problems for the country. It increases the cost of living and creates instability and speculation. It causes unnecessary damage to the nation. They can wait and participate in the coming elections and see whether the people support them."

[Gramajo] "This is a misinformation campaign that is again trying to gain force. We already know that they use information [words indistinct]. All efforts in that direction are in vain because we in the Army are professionals.

"I have confirmed with great satisfaction that in the Republic's countryside these principles are becoming stronger. Day after day, we officers are further convinced that the armed institution serves national interests and not those of of any group or individual. We do not follow anyone's orders."

Honduras

Azcona on Esquipulas, U.S. Elections, Aid

PA1008192088 Tegucigalpa Telecadena 7 y 4 in Spanish 0000 GMT 9 Aug 88

[Report on "exclusive" interview with President Jose Azcona Hoyo by Edgardo Melgar; date and place not given—passages within quotation marks recorded]

[Text] [Melgar] Today Central America is a region where there is a harsh struggle between poverty and development and between war and peace. A prolonged economic crisis that is causing gradual impoverishment, war, and poverty, which seem to be reserved for Central America by fate, has already experienced its first defeat by peace and development. A year ago, on 7 August 1987, the five Central American countries signed a peace plan, Esquipulas II, which was greeted with a great deal of enthusiasm and hope by the Central American people and the international community. At the time, the plan was a breath of fresh air for Central America. The plan established a peace process for the region, which included a cease-fire, democratization, free elections, the suspension of aid to rebel forces, and the commitment not to use one's territory to strike at another country. That, then, is the formula for assessing progress in achieving peace in the region. But today, on the 1st anniversary of the plan, that process is either paralyzed or it is simply dead.

[Azcona] "I don't think we can say it is dead, because that would amount to saying we no longer have any hope that there can be domestic agreements in the Central American countries and that out of those domestic agreements might come peace for all the rest of the countries.

"I think there is a lot of struggling going on. There are governments that are having trouble complying with commitments made under Esquipulas II and confirmed in the San Jose declaration. For that reason they have not complied as expected."

[Melgar] President Azcona Hoyo showed optimism, although he acknowledged that little, if any, progress has been made since the plan was signed by the region's five presidents. The problem is that it is impossible to achieve reconciliation domestically, or between nations in the region, when differences have been so pronounced and have lasted for so long.

[Azcona] "Compliance with these commitments should be total and indisputable. That is what it says here in the document. That is why we do not want to say, for instance, that Nicaragua has not complied with some of these commitments.

[Melgar] "What did Nicaragua fail to comply with?

[Azcona] "It seems to me that it has not complied with even 5 percent of the provision for a general amnesty. There are 3,800 political prisoners, and if only 100 of these 3,800 political prisoners were released during Easter Week, [words indistinct]. As for freedom of the press, we have recently seen that the newspaper LA PRENSA was again closed, as was Radio Catolica. There was supposed to be a total opening to political pluralism, just as we have here.

"It is charged that Honduras has not complied with the commitment that its territory not be used by irregular forces—in this case, the contras, to speak clearly, without euphemisms. It is also very significant that, when the representatives of the contras and Ortega's government signed an agreement in Sapoa, they left two enclaves on the border with Honduras. It would seem as if they had been left there on purpose so these Nicaraguan counterrevolutionary troops could have a way to escape.

"The saying goes: Do not prevent your enemy from running away. And so, they created that problem for us. They could have very well negotiated not to have any enclaves along the border with Honduras. That would have been the logical thing to do. Instead, there are two enclaves. One is located in Bocay. The other is close to El Paraiso Department. These two enclaves are on the border with Honduras. It makes it very easy for those Nicaraguan fighters to enter Honduras."

[Melgar] Meetings between presidents and foreign ministers continued with almost rhetorical proposals and resolutions. No agreement was made that, in the long- or short-term, would show that the Esquipulas II peace plan could work. On the 1st anniversary of the Central American peace plan, the Central American presidents or foreign ministers did not meet. For many, this was a black birthday for Esquipulas II. This is Azcona's explanation:

[Azcona] "It was inadvisable to hold a presidents' meeting. Commitments have not been honored, as I told you before. So, we would be going to talk about commitments that have not been honored. We would be celebrating something that has not yielded the expected results. I do not think the meeting would have been beneficial."

[Melgar] An assessment of the plan tends to be negative. For some political observers, U.S. meddling heightened differences among Central Americans. A Democrat administration would change U.S. policies in the area. We mentioned that to the president. Here is his reply:

[Azcona] "I think there will be no problems, no matter who wins the U.S. elections. I think there will be no problem because no matter who the U.S. president is, he will protect U.S. security. Dukakis will protect it as much as Bush, if Dukakis wins. The United States has to be a friend to its friends, no matter who the president is. I think aid to Honduras will not decrease if one candidate or the other wins. I tell you this because last year, in October, I had the opportunity of talking to all the important members of the U.S. Congress. I talked to Democrats and Republicans. They listened to me. A $75-million aid package, which was almost approved, was increased to $85 million thanks to my explanations. In other words, I think the U.S. elections will have no impact on relations with Honduras.

[Melgar] "If Mr Dukakis reaches the White House, [words indistinct] for a undetermined period.

[Azcona] "It could be construed that way. It could provide a breather...

[Melgar interrupting] "For Nicaragua?

[Azcona] "It depends. It could provide a breather because the suspension of aid to the contras could continue for a while. That could be. Based on that, however, the Sandinist regime may feel so self-assured that it will begin to exert greater pressure and become more of a totalitarian regime. This could have totally negative repercussions."

[Melgar] The deterioration of the peace plan came quickly and without warning. The process that began in good faith is bogged down in an acute crisis in Central America. In El Salvador, the government and the opposition do not agree on a dialogue. On the contrary, the guerrillas have made inroads. In Nicaragua, the negotiations between the Sandinist government and the contras have led nowhere. In Honduras, the presence of the Nicaraguan contras clearly shows that the peace process is stalemated. Do you think military aid to contras should continue?

[Azcona] "Should military aid to the contras continue? I think there should be some sort of pressure on the Sandinist government. The extraordinary thing is that after 3 February, when a domestic solution in Nicaragua should have been pursued because aid to the contras was suspended, the Sandinist government felt more self-assured and did not seek a political solution. It should have sought a political solution.

[Melgar] "If new aid to the contras were approved, would that aid be transferred to Honduras?

[Azcona] "Not necessarily. The United States will not necessarily (?use) Honduras to provide aid to the contras."

Azcona on Efforts To Fight Drug Trafficking
PA1008182488 Tegucigalpa Telecadena 7 y 4 in Spanish 0000 GMT 10 Aug 88

[Report by Edgardo Melgar]

[Excerpt] U.S. Secretary of State George Shultz' arrival in Honduras is apparently a last minute attempt by Ronald Reagan's Republican administration to fight

international drug trafficking in the region. This is part of a Latin American tour aimed at regulating the Central American peace process and accelerating the democratic process in the region.

However, a key point in Shultz' mission here is to request solidarity in the fight against drug trafficking. According to President Jose Azcona Hoyo, Shultz has already found that solidarity.

[Begin Azcona recording, in progress] ...the cooperation that Honduras has given the United States in the fight against drug trafficking. We have said many times that we are willing to cooperate in that struggle and that we will do as much as we can to cooperate. We will continue surveillance against aircraft transporting drugs from South American countries to the United States. This is a country on the Atlantic Coast, which has been used as a stopover point. On previous occasions our territory has been overflown by planes carrying drugs to the United States. A (?C-47) aircraft was shot down here last year. We have intercepted other planes overflying Honduran territory. We want to strengthen this fight with our Air Force and with the other resources we have. [end recording] [passage omitted]

Army Reports Sandinist Soldiers' Defection

PA1008184188 Tegucigalpa Voz de Honduras Network in Spanish 1120 GMT 10 Aug 88

[Communique issued by the Armed Forces Public Relations Directorate in Tegucigalpa on 10 August]

[Text] The Honduran Armed Forces Public Relations Directorate reports the following:

1. A total of 26 EPS defectors, 2 members of the Political Commission for the Atlantic Coast attached to the Nicaraguan Interior Ministry, and 115 relatives of the defectors, including women, teenagers, and very young children, defected on the afternoon of Sunday, 7 August, to the Honduran region of Pranza, by the Coco River in Gracias a Dios Department.

2. The EPS soldiers defected with all their combat equipment, including a large amount of Soviet-made AK-47 rifles, one RPK machine gun, RPG antitank weapons, machinegun ammunition [words indistinct] and cartridge clips, RPG grenades, flares, medicine, food, and other military materiel, all of which was confiscated by the Honduran Armed Forces.

3. The Sandinist soldiers and their families were residents of the Nicaraguan communities of El Carmen and Santa Fe, bordering the Coco River, opposite the Honduran village of Pranza, La Mosquitia sector.

4. According to the defectors' statements, which have been corroborated by their platoon commander Hector Poveda, trusting Sandinist promises, they had been voluntarily repatriated from Honduras by the UNHCR [UN High Commission for Refugees] in May 1988, within the framework of the Central Americ Esquipulas II peace agreement. Upon their arrival Puerto Cabezas and other Nicaraguan border communities, however, they were given uniforms and weapons and assigned by the EPS to act as security and harassment forces against Honduras in the Coco River area.

5. The Sandinist defectors had naively agreed to their repatriation, believing they would in exchange receive good treatment, food, clothing, and housing as promised by the EPS. Since the promises were not kept, and because they were harassed and mistreated by the EPS regular forces, they decided together with their families to seek freedom and peace in Honduras.

6. The 5th Infantry Brigade placed all the uniformed EPS defectors and their relatives under the control and protection of the UN High Commissioner for Refugees at the Mosquitia area in Honduras.

Tegucigalpa, 10 August 1988

[Signed] Honduran Armed Forces Public Relations Directorate

Panama

Former President Arnulfo Arias Dies 10 Aug

PA1008190388 Panama City Radio Ritmo in Spanish 1841 GMT 10 Aug 88

[Statement by Romulo Escobar Bethancourt, president of the Revolutionary Democratic Party; place not given—live or recorded; monitored in progress]

[Text] ...to tell us that a last-minute report from a hospital in the United States that Dr Arnulfo Arias was admitted to the emergency ward a few minutes ago where he died after a long and controversial life as a public leader of a large sector of the Panamanian people.

We would prefer this report not to be true, even though we are political opponents, as we belong to another political party than the one led by Dr Arnulfo Arias Madrid. At any rate, it is very sad for many fellow countrymen. We will continue reporting on this sad demise that causes the Republic of Panama to mourn when Dr Arias was just 4 days from turning 87 years old.

Death Creates 'Vacuum'

PA1008231588 Panama City ACAN in Spanish 2130 GMT 10 Aug 88

[Excerpts] Panama City, 10 Aug (ACAN-EFE)—The death of Arnulfo Arias—who was president of Panama three times and ousted each time—in Miami today substantially alters the political scene in Panama, which has been in a state of serious institutional and economic crisis since last year. His death will also increase uncertainty in the country.

Replying to questions asked by ACAN-EFE, politicians of various political leanings agree that the death of the top Panamanian opposition leader, one of the last Latin American leaders much like Juan Domingo Peron, raises several questions pertaining to the government, Panamanian strongman General Manuel Antonio Noriega, and the opposition.

Carlos Ivan Zuniga, president of the opposition People's Action Party, PAPO, told ACAN-EFE that the death of the octogenarian leader "has created a great vacuum in the country" and will lead to a period of "political uncertainty." However, Zuniga predicted that the opposition will quickly recover.

Zuniga said that although he opposed Arias in the 1984 elections, his party nevertheless recognized Arias as the legitimate president, whose victory "was usurped by a fraud."

In addition, former president Aristides Royo (1978-82) told ACAN-EFE: "Arias' death will force the opposition to rally around a new leader."

Royo described Arias as "one of Panama's three greatest leaders in the 20th century, along with Belisario Porras and Omar Torrijos." Royo added that Arias' "legend derived from the nationalist and antimilitaristic positions" that he held during his long political career. [passage omitted]

In addition, Ricardo Arias Calderon, president of the Christian Democratic Party and a presidential candidate along with Arias in 1984, told ACAN-EFE: "The death of someone who has been so important in this country has had a tremendous impact, but it is still too soon to say in what sense." [passage omitted]

Government Decrees Mourning

PA1108012988 Panama City Domestic Service in Spanish 0045 GMT 11 Aug 88

[Decree No 61 issued by the Presidency in Panama City on 10 August]

[Text] Whereas: Dr Arnulfo Arias Madrid, illustrious Panamanian citizen and distinguished public figure who played a broad and important role in this nation's life for 5 decades, died in Miami on 10 August; Dr Arias indisputably influenced several generations of Panamanians and was president on three occasions; Dr Arias undeniably played an important role in the nationalist struggle that the Panamanian people have waged for many years to achieve territorial integrity and respect for the country's sovereign rights;

Therefore: The minister in charge of the Presidency of the Republic, acting according to law, mourns the death of Arias Madrid; declares 15 August a day of national mourning, because his funeral will take place that day; orders all public and private offices closed on that date; orders the national flag to be flown at half-mast from 15 to 22 August; and orders the highest honors to be paid Dr Arias as former president of the Republic.

Panama City, 10 August

[Signed] Manuel Solis Palma, Minister in Charge of the Presidency of the Republic; and Rodolfo Chiari de Leon, Minister of Government and Justice

Ortega Terms Shultz Remark 'Madness,' 'Lie'

PA1008144488 Madrid EFE in Spanish 0450 GMT 10 Aug 88

[Excerpts] Panama City, 9 Aug (EFE)—Today Nicaraguan President Daniel Ortega described U.S. Secretary of State George Shultz' statement that the Sandinist government has hundreds of millions of dollars in Soviet weapons for use against other countries of the region as "madness" and a "lie."

Questioned by ACAN-EFE in Panama City today about the U.S. diplomat's remarks in Honduras this afternoon, Ortega stated: "Shultz's statement is not worthy of any comment because it is simply madness; it is madness, a big lie."

Regarding Shultz' statement that Ortega was meeting today with "the king of drugs," the president told ACAN-EFE: "We already know the attitude of the Yankee government, which is the promoter of death and the king of terrorism." [passage omitted]

Meanwhile, a Panamanian military intelligence source told ACAN-EFE today that Morton Abramowitz [U.S. assistant secretary of state for intelligence and research] came to Panama to meet with opposition leaders and to develop the "Reagan plan," which "includes attacks against national government figures, including the commander in chief of the Defense Forces."

Noriega To Address Rally at Former U.S. Base

PA1008221788 Panama City ACAN in Spanish 2003 GMT 10 Aug 88

[Excerpt] Panama City, 10 Aug (ACAN-EFE)—General Manuel Antonio Noriega's 12 August address at a pro-government event in Panama City has created high expectations among observers, who are waiting for important statements concerning the country's future and its relations with the United States.

Sources in the Panamanian Presidency confirmed to ACAN-EFE that the speeches by Manuel Solis Palma, minister in charge of the Presidency, and Gen Noriega will both be "highly significant in the institutional sense."

Nevertheless, none of the sources consulted by ACAN-EFE, either in the government or the opposition, give credit to the speculations that Panama's "strong man"

will announce his resignation as commander in chief of the Panama Defense Forces [FDP] and announce his candidacy for the 7 May 1989 presidential elections. Most of the observers term this hypothesis, published this week by some U.S. news media, as mere "gossip" or a malicious rumor.

In any case, the preparations carried out by the FDP for the event on 12 August clearly reveals they are preparing for a highly important event.

The gathering will be held, charged with great symbolism, at the former Albrook U.S. Air Force Base, which reverted to Panama in the early 1980's following the signing of the Torrijos-Carter treaties for a progressive turnover of the Panama Canal Zone to Panama.

One of the officers in charge of the operation, Captain Eduardo Lim Yueng, asserted that the organizers calculate approximately 70,000 people will participate in the parade, which has been described as "an act of resistance for Panama's sovereignty and dignity."

All the units of the different FDP branches and the so-called "Dignity Brigades"—which, according to official sources, comprises approximately 10,000 "voluntary fighters who have been trained to counter a foreign aggression"—will march along the fence that delimits the U.S. Air Force Base in Clayton [as received], the most important in all Latin America.

Observers expect Noriega's and Solis Palma's speeches to include the two most important current political topics: relations with the United States, and the process that will lead to the 7 May 1989 elections.

According to certain military sources, Noriega might specify the "rules of the game" with which the government will try to convince the opposition to participate in the electoral process, and he might, in particular, announce the upcoming opening of all or some of the closed news media.

Nevertheless, Winston Robles, director of LA PRENSA—the most important morning newspaper in Panama, which was closed in late February—asserted to ACAN-EFE that he has "no indication the government is thinking about that."

Robles reaffirmed the opinion, maintained by all the opposition, that "neither the so-called dialogue nor the elections have the minimum credibility if the closed news media are not reopened." [passage omitted]

Columnist Calls for Expulsion of PCC Officials

PA1008044088 Panama City LA REPUBLICA in Spanish 9 Aug 88 p 6

[From the "Vox Populi" column by Luis Restrepo: "Persona Non Grata"]

[Excerpts] This journalist and thousands of Panamanians formally and vehemently request through this column that William Gianelli and Michael Rhode—a U.S. member of the Panama Canal Commission [PCC] and secretary of the PCC's Washington office, respectively—be declared undesirables and persona non grata for Panama and its people and that their presence in our national territory be prevented by all legal means.

These men have dared to issue public political statements against Panama, its government, and its people, and to intervene in the country's politics, in collusion with Juan B. Sosa, the usurper of the Panamanian Embassy in Washington, whose Panamanian citizenship must be suspended forever. [passage omitted]

Their actions include authorizing "zonians" to purchase unlimited amounts of every article sold in the U.S. Army's stores in Panama, thus opening the doors to large-scale contraband activity, which seriously affects Panama City and Colon stores.

Furthermore, these people maintain a criminally perverse campaign of provocations against our country and its sovereign rights, with the intention of encouraging violent actions that would justify a U.S. armed intervention in Panama. This would be the prelude to the installation of a servile and subservient government that would accept substantial changes in the Torrijos-Carter treaties and ensure U.S. control over the canal; the reactivation of the old Panama Canal Zone; a return to the racist payroll system; the conversion of the administrator into a governor; and the return of the police and court system that were abolished when the current canal treaties were implemented.

The Foreign Ministry must act according to Article 5 of the Panama Canal Treaties, which clearly indicates that "the U.S. employees of the Panama Canal Commission must abstain from participating in all kinds of political activities in the Republic of Panama, as well as from intervening in Panama's internal affairs."

The same article points out that "the United States will adopt the appropriate measures to ensure the implementation of all the provisions included in this article of the Panama Canal Treaties."

The Panama Canal Commission will carry out this mandate by preparing a code that includes all the provisions in the treaty. According to the agreement, the code will indicate that the prohibitions affecting commission employees also extend to the U.S. members of the PCC Board of Directors.

As you can see, there are enough legal grounds and evidence to declare these men persona non grata. Their lack of foresight is endangering the treaties' implementation and an efficient operation of the Panamanian people's canal. In view of the above, Gianelli and Rhode must be declared persona non grata for Panama, its government, and its people.

Housing Minister: U.S. Army Not Paying Rents
PA0908230588 Panama City MATUTINO in Spanish 9 Aug 88 pp 1, 8

[Article by Roberto R Rodriguez]

[Text] The U.S. Army "is not complying" with its contract obligations agreed upon in the Torrijos-Carter treaties regarding the use of housing in the Panama Canal reverted areas, Housing Minister Ricardo Bermudez said yesterday.

Bermudez said the obligations that have not been met by the United States in the use of housing have resulted in a debt of over 500,000 balboas. This situation prevents the Housing Ministry from doing maintenance and service work on other houses.

The U.S. Army has rented several housing buildings from the Panamanian Government in the reverted areas as stipulated in the Torrijos-Carter treaties. The rental agreement is regulated by an exchange of diplomatic notes, but it is currently being violated by the northern country.

However, Bermudez said the Housing Ministry has completed the necessary paperwork through the foreign minister to collect the money by forcing the debtors to pay; otherwise, they should move out so more Panamanians can occupy that public property.

Finally, the housing minister talked about a bill that is scheduled to be discussed by the Legislative Assembly aimed at regulating the use of that public property for national development.

A year ago, a group of legislators became interested in a similar project for the Panama Canal reverted areas; however, the discussions were suspended in hopes of reaching a "consensus" among legislators and the executive on how to take advantage of those areas and to integrate them into the national development process.

Molirena Leader on Solis Palma's 'Limited' Role
PA1008234788 Panama City Telemetro Television in Spanish 2300 GMT 9 Aug 88

[Statement by Molirena (National Liberal Republican Movement) leader Guillermo Ford; date and place not given—recorded]

[Text] Solis Palma's situation is very delicate, his role is very limited, not only with regard to the economy—and we all know the economy has deteriorated significantly. We have obtained figures from the Comptroller General's Office that indicate a reduction of over 50 percent in fiscal revenue during the first half of this year, compared with last year's figures.

Mr Solis Palma also has political problems because of the conditions relating to his installment in office, conditions significantly restricting his actions while in office. Therefore, he cannot act in the way a constitutional president duly elected by the Panamanian people could act.

Molirena [National Liberal Republican Movement] has had no ties with Mr Solis Palma, who resigned from our party prior to the 1984 elections. He formerly occupied the post of secretary general of our party. We will continue criticizing as we feel fit any action taken by Mr Solis Palma's government, which we do not recognize.

We will also continue emphasizing to the country the crucial need for fundamental changes in the country, which should not be postponed. As long as outside forces continue to control political matters, there will be no solution, regardless of who is the president of the Republic of Panama.

Argentina

Central Bank President on World Bank Loan

PY1008232188 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1905 GMT 10 Aug 88

[Text] Buenos Aires, 10 Aug (NA)—Today Jose Luis Machinea, the president of the Central Bank of the Argentine Republic (BCRA), confirmed that the World Bank has granted a $400-million loan to Argentina. The loan will be used to reform the financial system. The initial disbursement, involving $200 million, will be received "within the next few days." Machinea admitted, however, the existance of "some problems" that will force us "to reconsider the credit terms."

Machinea made it clear that he had already agreed "not to increase the volume of interest-earning bonds that the financial system must keep as part of its immobilized reserves." He explained, however, that "the fiscal needs have made it necessary to increase the volume of involuntary bonds that must be kept as part of the financial system immobilized reserves, replacing reserves that could be kept in the form of voluntary bonds."

Thus, Machinea said that "now we will hold talks with the World Bank and, in keeping with this, increase in the volume of involuntary bonds and reconsider the credit terms" granted by the World Bank.

The BCRA president made these remarks after participating in a meeting between Economy Minister Juan Sourrouille and Shahid Husayn, the World Bank regional vice president for Latin America and the Caribbean.

According to an official communique issued by the Economy Ministry, "the current economic situation, the mid-term macroeconomic prospects, and the assistance of the World Bank in diverse programs in such areas as banking and financing, foreign trade, and electronic power" were discussed during the meeting.

Nevertheless, the communique failed to mention the total amounty requested by Argentina to meet the financial requirements of the development of these sectors.

The Argentine authorities also outlined "the general guidelines of the anti-inflationary program implemented" on 3 August and expressed their recognition for the remarks made by World Bank President Barber Conable, who emphasized "the efforts made by the Argentine Government to simulate growth by implementing new structural measures."

Husayn was accompanied by Suman Bery, the chief of the World Bank countries division No 4—Argentina, Chile, Ecuador, Paraguay, and Uruguay—; Richard Newfarmer, an economist representing Argentina at the World Bank; and by Marcelo Selowsky, the chief economist of the office of the [World Bank] vice president.

The mission headed by Husayn will remain in Argentina for 3 weeks, not only seeking to reach agreement on new terms for loans to reform the financial system, but also to determine the size of the rest of the credits that are designed to promote foreign trade, exports, and to be used for electric power and housing programs. It is been learned from unofficial sources that this could total 200 million australes.

Crespo Delivers Air Force Day Address

PY1008224788 Buenos Aires DYN in Spanish 1341 GMT 10 Aug 88

[Text] Buenos Aires, 10 Aug (DYN)—Today Air Force Chief of Staff Brigadier Ernesto Crespo stressed that the sale of materiel abroad is one of the methods that permit the modernization of Air Force, and he announced that at the end of next year the prototype of the Argentine-Brazilian CBA-123 passenger plane will be ready to fly.

He also criticized those who are trying to cause friction between the Air Force and civil aviation, but he said that there would be no discord.

Crespo gave a speech on Air Force Day in which he referred, without rhetoric, to the Malvinas Islands—"a cause for which all Argentines must struggle"—to the trials of Air Force officers—"everyone must assume responsibility for his actions"—and to the Air Force's present situation.

The Air Force commander said that the "Air Force, which is different from the one existing before the Malvinas War, has begun its reorganization and a new distribution of its units, in response to a real and rational concept of national defense and not to the political needs of that earlier time. [quotation mark as received]

After indicating that the Malvinas conflict "opened our eyes to the crude reality of dependency," he stressed that "we decided that it was necessary to develop our own technology." For this we had to obtain "the participation of the private sector and to organize the creation of enterprises."

He continued: "We deplore the myopia of those detractors, who under the banner of a false nationalism term as traitors those who are trying to overcome the prostration and discouragement of some of the country's sectors and thus to obtain an optimistic national unity that will permit the long awaited recovery."

He then referred to the plans to turn the former Military Planes Plant into "a modern and efficient industrial organization," and he stressed that "the prototype of the Argentine-Brazilian CBA-123 aircraft will be in a condition to fly at the end of 1989."

He also mentioned the IA-63 Pampa training plane, and he stated that "it has caught the interest of the United States, and it is causing concern in very experienced and capable sales circles."

He stressed the fact that the aeronautical industry is currently exporting its products, and he said that "it is enough to say that during all the years that it has existed, no significant sale was ever made that would have benefitted the country. But the current contracts are paying more than enough for the effort that has been made, and they are clear evidence for those who do not want to adapt to progress because they do not have the capability to understand the demands of modern times."

Crespo indicated that work is being carried out to turn the former Military Planes Plant "into a modern and efficient industrial plant that will contribute to the nation. It will have the most modern technology, which will be shared with a subsidiary industry in an effective integration with Latin American countries for the development of common industrial projects."

[Words indistinct] others no "manifestos that have recently appeared with the intention of causing friction between the Air Force and the civil aviation sector and attacking the current overall aeronautical system by maliciously and partially distorting information."

He recalled that "at this time there are Air Force officers who are on trial for various causes, and in this respect I must stress that those officers must assume responsibility for their actions."

"The Air Force," he stressed, "has not and will not carry out any action that will obstruct current legal measures, and in no way does it object to the independence of the judicial branch or to its resolutions. The Air Force is convinced that the political leadership must determine procedures because the judicial branch is the only one responsible for its decisions."

In an evident allusion to the Malvinas, he said that "wars have marked all of us equally." He added that "incidental or relative successes cannot justify attitudes of one-upsmanship, because we are all responsible for the mistakes and short-lived successes." He went on to say that "no one can believe or claim that one single side can comprise both winners and losers" and that "no one must doubt that the Malvinas are, and will always be, a cause for which Argentines must struggle."

Legislators To Observe Chilean Plebiscite

PY1008172688 Madrid EFE in Spanish 0403 GMT 10 Aug 88

[Text] La Plata, 9 Aug (EFE)—A group of Argentine legislators will travel to Santiago, Chile, in the next few days to offer themselves as foreign observers to the Chilean plebiscite.

The plebiscite will determine whether General Augusto Pinochet will continue in power or whether a democratic opening will be established for free elections.

The delegation of congressmen will include representatives of the governing Radical Civic Union Party, the Justicialist Party (Peronist), the Intransigent Party (PI), the Christian Democratic Party (DC), and the Socialist Popular Party (PSP).

The Argentine legislators were invited to Chile by Chilean political and university leaders, and during their visit to that country they will meet with members of the political committee "Democratic Agreement for the No Vote."

The Argentine visitors will meet with members of the Party for Democracy (PPD) and independent politicians, among others, and they intend to observe the development of the plebiscite in provinces south of Santiago.

Government To Send Military Observers to Iran

PY1008213688 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2122 GMT 10 Aug 88

[Text] Buenos Aires, 10 Aug (NA)—It has been officially reported that Argentina has accepted the UN invitation to participate in the group of military observers who will oversee the cease-fire between Iran and Iraq.

Those who will take part in this group of observers will be Army officers who will have to be in Iran on 16 August.

USSR Offered '100 MIG Fighters' for Falklands War

PY1008184588 Buenos Aires BUENOS AIRES HERALD in English 10 Aug 88 p 11

[Text] [DP-NA-AFP]—Army General Omar Parada tried to visit troops but was prevented from doing so due to lack of a single helicopter or ship to transport him, the defence for the former Third Infantry Brigade commander told the civilian Federal Appeals Court yesterday.

In Peru, meanwhile, a former Argentine embassy official revealed that the USSR had offered Argentina 100 MIG fighters to use against Britain in the 1982 conflict.

Parada's defence, answering a prosecution charge that Parada, based on Soledad island, had failed to visit troops on the Gran Malvina island, said the only means of transport at Parada's disposal was a jeep. Neither air nor naval units were able or willing to provide transport, the attorneys said.

Parada's defence argued also that occupying the Soledad and Gran Malvina islands was a "political and not military objective" because the junta's aim was to pressure Britain to negotiate a settlement and not to fight a war.

Parada's defence was the last opening argument of the six defendants in the Malvinas hearings. The first witnesses are to testify today. The most senior officer set to appear today is Rear-Admiral Antonio Mozzarelli.

Former Argentine press attache Ricardo Sanchez told the Peruvian magazine OIGA yesterday that the Soviet MIG offer was unconditional and payment was to be worked out "after the war." But the junta refused the deal rather than accept "Soviet imperialism," Sanchez said.

Bolivia

Finance Minister Resigns To Head IDB Delegation

[Report from La Paz]
PY1008152488 Santa Cruz Radio El Mundo in Spanish 1324 GMT 10 Aug 88

[Text] The most important news yesterday was the resignation of Finance Minister Juan Cariaga. He has stepped down from his post because he will head the Uruguay-Paraguay-Bolivia delegation to the IDB in Washington.

In his long letter of resignation he speaks of the government economic policy and expresses his concern over the merciless struggle of the regional governments against the central government. This struggle, he states, is motivated by regional and political interests that threaten Bolivian unity and integrity.

Cariaga said that the regions, institutions, and Bolivians in general must acknowledge that in the past 10 years the country has been undergoing a permanent process of impoverishment. Despite the national efforts to reorganize and reconstruct the country, it will still take many years to meet the country's most urgent needs.

Minister Cariaga tendered his resignation on 25 July, and it was supposed to have been effective as of 1 August. However, his government duties—such as the arrival of Brazilian President Jose Sarney, the visit of U.S. Secretary of State George Shultz, and the presidential message of 6 August at the opening of the new congressional term—forced him to remain in his post, by request of the president of the Republic.

Cariaga's resignation was accepted by President Paz, who will probably appoint his replacement soon.

The names mentioned as finance minisry candidates include Fernando Romero, current director of the National Emergency Fund, and Revenue Minister Ramiro Cabezas. It is also rumored that the National Treasury under secretary or the planning under secretary could be promoted to Cariaga's post.

However, according to reliable sources, Revenue Minister Ramiro Cabezas will become acting finance minister until the ruling MNR party convention concludes. This convention will nominate a candidate for the presidential elections of 1989. Once the convention is over, the elected nominee, who will be either Foreign Minister Guillermo Bedregal or Planning Minister Sanchez de Lozada, will also have to resign his post, according to regulations.

Meanwhile, Deputy Edwin Rodriguez, MNR bloc leader in the Chamber of Deputies, has announced his wish to [words indistinct] the departamental command of this city, which said that it is time to reshuffle the cabinet before the next elections.

However, political analysts say that President Paz will not allow any minister (?to abandon) his post, because he thinks that the economic policy is stable, although greater effort is needed for its reactivation.

Cabezas Named to Post

PY1008011188 La Paz La Red Panamericana in Spanish 0000 GMT 11 Aug 88

[Text] Revenue Minister Ramiro Cabezas has been installed as the new finance minister. After the government released the decree designating the new minister, the media asked Ramiro Cabezas about his new duties.

The new minister said he agrees with the presidential decision to once again place the sector that is in charge of collecting taxes under the jurisdiction of the Finance Ministry.

It should be recalled tha President Paz himself decided to put the Internal Revenue Service and the Customs Office services under a new ministry, which was the Revenue Ministry.

Asked about the modifications that he will introduce as finance minister, Cabezas said:

[Begin Cabezas recording] I don't yet want to discuss the subject. I will assume my duties and I will get a better picture of the situation to see the areas in which changes should be introduced. I have not yet considered any specific point and I will analyze the situation before making any decision. [end recording]

Cabezas said he will closely control the sectors that have once again been placed under Finance Ministry jurisdiction:

[Begin Cabezas recording] The administrative structure of the Finance Ministry has been reestablished; that is, the structure that was in force before the creation of the Revenue Ministry. The Revenue Ministry, which was designed to operate for a limited time period, has already fulfilled most of the targets that were set by the tax reform. I do not mean to say that the work is over. Yet the initial part of the job, which was the most difficult part, has already been done. Consequently, the task can

now be continued by the Finance Ministry, because the work is not as demanding as it was when the Revenue Ministry was created. [end recording]

Revenue Ministry Abolished

PY1108023088 La Paz La Red Panamericana in Spanish 0000 GMT 11 Aug 88

[Report by Facundo Hurtado from Government House]

[Excerpts] We will summarize the events of the past few hours, particularly in connection with the swearing-in of Ramiro Cabezas as the new finance minister. Until a few hours ago, Cabezas was the revenue minister. We want to report that President Victor Paz Estenssoro praised the work done by outgoing Finance Minister Juan Cariaga. Paz added that Ramiro Cabezas is an experienced minister who has shown that he is properly qualified to discharge ministerial duties. [passage omitted]

The chief of state also reported that through Decree No 21,985, the government has eliminated the Revenue Ministry, whose powers and functions were transferred to the Finance Ministry. The decree states:

Whereas:

Decree No 21,502 dated 5 January 1987 created, for a limited period, a ministry without portfolio which was called the Ministry of Tax Revenues for the implementation of the tax reform established by Law No 843 dated 20 May 1986 and decree No 21,367 dated 13 August 1986. The responsibility of collecting internal taxes and customs fees must be returned to the Finance Ministry because the Revenue Ministry has fulfilled the mission that was entrusted to it:

The president of the Republic hereby decrees:

Article 1. Decree No 21,502 is hereby annulled. The ministry without portfolio, which is called the Revenue Ministry, is hereby eliminated. The powers and functions of the Revenue Ministry, which stem from the enforcement and implementation of the system of collecting all internal taxes and custom fees, are hereby transferred to the Finance Ministry.

Article 2. As of the date of enforcement of this decree, the following departments and their respective personnel, budgetary allocations, materials, office buildings, and facilities shall be placed under the jurisdiction of the Finance Ministry: a) the Under Secretariats of Customs Affairs and Internal Revenue of the Revenue Ministry; b) the General Internal Revenue Directorate; c) the General Customs Directorate; d) the General Tax and Fee Directorates; e) the Autonomous Association of Customs Warehouse, AADAA, and all Revenue Ministry departments.

The minister secretary general of the Presidency of the Republic shall be charged with the enforcement of and compliance with the terms of this decree.

Signed at government house in La Paz on the 10th day of the month of August in the year 1988. [passage omitted]

Brazil

Finance Minister Nobrega Threatens to Resign

PY1008155888 Madrid EFE in Spanish 1535 GMT 10 Aug 88

[Text] Brasilia, 10 Aug (EFE)—Finance Minister Mailson da Nobrega's threat to resign today if President Jose Sarney does not clearly express his support for his economic policy has unleashed a political crisis in the Brazilian government.

Nobrega has expressed his disagreement with the 35-percent wage increase granted by Telecommunications Minister Antonio Carlos Magalhaes to the national mail office employees, as well as his decision to authorize the transformation of TELEBRAS [Brazilian Telecommunications Inc.] into a holding [preceding word in English], because such measures go against the public deficit reduction policy.

Magalhaes, one of the ministers closest to Sarney, told Nobrega of his decision to grant the wage increases on 8 August. Nobrega had asked him for some time to allow the government to study alternative measures.

The finance minister also did not hide his annoyance when Housing Minister Prisco Viana granted the employees of the Federal Savings Bank a loan to be repaid in 12 months at a minimum interest rate.

According to the Brazilian media today, this represents the end of the salary policy jointly drawn up by Nobrega and Planning Minister Joao Baptista de Abreu, and it leaves the government without alternatives to struggle against inflation, which last month surpassed 24 percent.

During the past few months the chief of the Joint Staff, Brigadier Paulo Roberto Camarinha; the president of the Central Bank, Camilo Calazans; and the president of the state-run Petrobras, Ozires Silva, resigned due to disagreements over the government's economic policy.

The finance and planning ministers have shown that they do not remain indifferent to the granting of salary increases to public servants.

Nobrega and Abreu spent yesterday searching for support to force the state-run enterprises to comply with the government's salary policy in order to avoid the defeat of its plan to control the public deficit.

The two ministers maintain an orthodox stance in the struggle against inflation in view of two failures of the so-called "heterodox shock": the Cruzado Plan of 1986, after which inflation amounted to 26 percent per month last year; and the "Bresser Plan" implemented in June 1987.

Government Supports Policy

PY1008191588 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 10 Aug 88

[Text] Ronaldo Costa Couto, chief of the Civilian Household, has reiterated that the government will not change its economic policies. He made this remarks in front of the Alborada Palace in Brasilia following a meeting with President Sarney.

[Begin Costa Couto recording] Minister Nobrega is a calm and serious man. He has received President Sarney's full support in all matters from the very beginning. The president has supported the implementation of his very important economic measures. Nobrega is responsible for the new economic policy and this policy has received broad support in the country, including the business sectors, and it is giving good results. [end recording]

Sarney Signs Decree 'Liberating' Frozen URP

PY1108015288 Brasilia Domestic Service in Portuguese 2200 GMT 10 Aug 88

[Report by Ireneu Tamanini from Brasilia Church]

[Excerpt] [Passage omitted] In an interview with the press, President Sarney confirmed that tonight he signed a decree liberating the URP [Price Reference Unit] for the month of April, which was frozen. Public employees will receive this URP along with their August salaries.

Sarney Creates Federal Privatization Council

PY1108013488 Brasilia Domestic Service in Portuguese 2200 GMT 10 Aug 88

[Excerpts] This afternoon President Jose Sarney created the Federal Privatization Council [Conselho Federal de Desestatizacao], which he believes will be the key tool for the privatization progrm created in March 1988.

The council will be headed by Planning Minister Joao Batista de Abreu and will comprise labor union members and businessmen, thus showing that the government is interested in including the two sectors in the decision-making process.

President Sarney said the council's first mission is to study the privatization of the national railway system. [passage omitted]

President Sarney said the public deficit is the main reason for redefining the state's role in the economy. He pointed out that the privatization policy has no idelogical characteristics; it is simply a social necessity.

President Sarney said that, in accordance with the new constitution being drafted, the federal government will receive only a small portion of the budget and, therefore, will only be able to pay high-priority expenses.

[Begin Sarney recording] The current times demand a privatization policy. The government has no more funds to honor responsibilities that are not its own, has no possibilities of occupying positions out of the administrative sector, and should not assign funds earmarked for the sectors of health, education, and social welfare to other objectives that are not the immediate objectives of the state machine. [end recording]

At the end of the speech, President Sarney emphasized that the privatization process is not a simple act. It is an overall process that requires the support of society.

Chile

Nuclear Commission Head Outlines Projects

PY1008204288 Santiago EL MERCURIO in Spanish 30 Jul 88 p C-9

[Text] General Herman Brady, president of the Chilean Nuclear Commission, has indicated that the installation of an irradiation plant in Arica is currently under study. It will be used to help fight the "Mediterranean [fruit] fly." The commission is also working closely with the SAG [Agriculture and Livestock Service] and the Agriculture Ministry to improve seeds in order to increase agricultural production.

Brady also pointed out that, among Latin American countries, ours has the greatest development in the application of atomic energy.

Gen Brady made these remarks after dedicating, together with other high-ranking officials, the new Nuclear Energy Room of the Science and Technology Museum.

The room contains 45 displays that depict the origin, development, and uses of nuclear energy in our country. It also features a mockup of a nuclear power reactor and a mockup of a radioisotope cell, in addition to instruments and reports on research, with which the visitors will be able to gauge the radiation to which they expose themselves during the year.

Colonel Victor Aguilera, executive director of the Chilean Nuclear Energy Commission; Herman Holley, the representative of the Private Corporation for the Dissemination of Science and Technology; and the manager of the museum spoke during the ceremony.

Regarding the tasks of the commission, Brady said the work is being carried out on the application of nuclear energy in the mining, agricultural, and medicinal sectors.

Brady indicated that the SAG and the Agriculture Ministry are jointly working on new projects to improve seeds that will increase the country's agricultural potential.

He also stated that a industrial irradiation plant for the sterilization of fruit is now functioning, thus avoiding the use of contaminating chemicals.

He indicated that studies are underway to instal a similar plant in Arica to help in the fight against the "Mediterranean fly," thus preventing a possible infestation.

He also emphasized that the construction of a 600-megawatt nuclear power plant has always been in the plans, and we are only waiting for the right conditions regarding electricity potential that is necessary for national development.

"For the time being the new plant has not been built because we believe that it is not yet necessary, but in the near future it might be convenient to look into the possibility of building one," the general said.

Returning Communist Saez Paiva Arrested

PY1008143888 Santiago EL MERCURIO in Spanish 3 Aug 88 p C-9

[Text] Last night ad hoc military prosecutor Fernando Torres Silva ordered that Javier Saez Paiva, leader of the Youth Department of the City Residents Coordinating Board, be held incommunicado while his possible involvement in weapons smuggling is analyzed.

Upon arriving from Argentina, Saez Paiva, a member of the Chilean Communist Party, was arrested by members of the Investigative Police at the "Comodoro Arturo Merino Benitez" International Airport yesterday afternoon.

Saez Paiva was taken to the military court on Zenteno Street, where he was questioned until late last night. Other individuals indicted on the same charges were also taken to the court.

Torres Silva said that he ordered the arrest of Saez Paiva 4 or 5 months ago on charges of "alleged involvement in weapons smuggling, either as a witness or as a perpetrator of the crime."

Regarding the possible involvement of Saez Paiva in the trafficking of weapons, Torres Silva said: "He is actually involved. We will see whether his involvement is a crime or whether it means that he participated in a crime."

Javier Saez left Chile last January. During his visit to Germany, Saez Paiva learned about the court decision and said he would return to Chile to clarify his situation.

Javier Saez came on an Eastern flight with his wife Patricio Mancilla, a member of the Youth Committee of the Single City Residents Command (CUP). Saez Paiva is also a leader of the CUP.

Regarding the same case, Torres Silva said that a woman, whose identity was not revealed, was arrested on 1 August. He added that he also ordered the arrest of 15 people and that 120 warrants for arrest are still pending.

Finally, he indicated that for a week now experts have been looking for hidden weapons in the norther zone. These weapons make up the second arsenal that was unloaded. It has not yet been discovered, "but the experts are using highly sophisticated technical equipment."

Ecuador

Cabinet Sworn In Following Inaugural Address

PA1108040388 Madrid EFE in Spanish 0315 GMT 11 Aug 88

[Text] Quito, 10 Aug (EFE)—Today the 12 ministers who will work with Social Democratic President Rodrigo Borja in the next 4 years of government were installed in their respective posts with the signing of the new government's third presidential decree and after taking the usual oath.

The swearing-in ceremony for Borja's cabinet took place in the National Palace following the presidential inauguration.

There are seven Social Democrats, four independents, and one Christian Democrat in the new government team.

The ministers are as follows:

Government and Justice (Interior)	Andres Vallejo, Democratic Left [ID]
Education	Alfredo Vera, ID
Agriculture and Livestock	Enrique Delgado, ID
Industry, Commerce, and Integration	Juan Jose Pons (Popular Democracy, a Christian Democratic party)
Energy and Mines	Diego Tamariz, independent
National Defense	General Jorge Felix, independent
Labor	Cesar Verduga, ID
Finance and Public Credit	Jorge Gallardo, ID
Foreign Relations	Diego Cordovez, independent
Public Works	Juan Neira, ID
Social Welfare	Raul Baca, ID
Public Health	Plutarco Naranjo, independent

To these posts must be added the following two secretaries of state, with ministerial rank, who were installed in office by Decrees No 2 and 6, respectively.

Secretary General of the Administration	Washington Herrera, ID
National Public Information Secretary	Gonzalo Ortiz, ID

Febres-Cordero Gives State of Nation Address

PA1008224288 [Editorial Report] Quito Voz de los Andes in Spanish at 1531 GMT on 10 August carries a live broadcast of Ecuadoran President Leon Febres-Cordero's 2 and ½- hour final state of the nation address at the Legislative Palace in Quito.

Febres-Cordero begins by greeting the dignitaries present, including the presidents of Uruguay, Colombia, Argentina, Portugal, Costa Rica, and Cuba. He states that he will "give an account of my actions and those of my government" during his 4 years in office.

He notes that as a result of his economic program, "1984 concluded with a 4.2-percent increase in the gross domestic product compared to a 0.2-percent increase in 1982." He adds that "an even more promising result is predicted for 1988: approximately 6 percent." In the agricultural field, he states that "there was an increase in food production and the Ecuadoreans' nutrition improved."

Continuing to discuss economic indicators, Febres-Cordero states that "inflation dropped from 48.4 percent in 1983 to 31.2 percent in 1984 and to 28 percent in 1985." In those 2 years, "domestic savings and nonpetroleum exports increased" and "the balance of payments and the fiscal economy showed considerable surpluses." As a result of this situation, he adds, Ecuador "successfully renegotiated the foreign debt."

Febres-Cordero points out, however, that this situation changed "when a worrisome sign" appeared in the last quarter of 1985 with the "weakening of international petroleum prices." In analyzing the Ecuadoran economy and the effects of the decline in oil prices as well as the damage from floods and the 5 and 6 March 1987 earthquakes, he says: "In the short span of 30 months, Ecuador lost more than $3 billion from the fall in international petroleum prices and from unpredictable and formidably destructive natural disasters." To further illustrate this, he compares the revenue received by the previous government and by his administration, stating that "I have had to govern and deal with the expenditures of 4 years with the revenue of only 3 years."

Despite this situation, Febres-Cordero points to his administration's achievements, noting progress in health and education, electrification, irrigation, and the construction of roads, housing, and schools.

Turning to a discussion of the "close alliance between terrorism and drug trafficking," Febres-Cordero says: "Only 24 hours after I took office, the declaration of Quito was signed, calling drug trafficking a crime against humanity and coordinating the work of several friendly countries to fight illicit drug production and trade. The struggle against the common enemy has not stopped for a single day. The national police, the Armed Forces, the Attorney General's Office, and the Customs Police have waged many battles in defense of our greatest resource: our human resources, particularly Ecuadoran youths and children."

Regarding human rights, Febres-Cordero notes that his government "has protected and promoted human rights," adding that this is shown by the existence of freedom of expression in the country.

Turning to "coup attempts," Febres-Cordero discusses "the actions of force against democracy that occurred in Manta and Quito on 7 and 13 March 1986 and at the Taura Air Base on 16 January 1987." He defends the fact that amnesty was not granted to those involved because "those who would benefit from it were accused of common crimes rather than political crimes."

He then notes that the executive branch guaranteed honest and free elections in 1986 and in the January and May 1988 elections, which, he stresses, "have consolidated democracy" and "have been exemplars for the entire continent."

Febres-Cordero emphasizes that "along with age-old problems, in the past 4 years an entirely new Ecuador has vigorously emerged despite the worst crisis in its republican history. It has not only maintained but improved its democratic system." He notes that all these achievements have been possible thanks to the virtues of the Ecuadoran people, their faith, understanding, and desire to progress.

Febres-Cordero concludes his speech by thanking all those who helped him in this "difficult task," adding that "with special emotion, I thank the men and women who gave me their generous political support, and I extend my hand as an Ecuadorean to all my noble adversaries."

Cuba's Fidel Castro Comments on Visit

FL1008142988 Havana Radio Progreso Network in Spanish 1100 GMT 10 Aug 88

[Text] Commander in Chief Fidel Castro has said that he was warmly received in Ecuador and that he has faced no obstacles in that country. Fidel made these statements during his first conversation with the press since he arrived yesterday in the South American nation. Fidel said he considered the invitation to attend the transfer of the Ecuadoran Presidency to be a brave gesture, a gesture of independence which he said he appreciates very

much. What we usually see is the exclusion of Cuba, said Fidel, and this is an act that marks a continental change over which some people are truly concerned.

The Cuban president later said that, physically, he felt good and that he was in good spirits and was not affected at all by the altitude in Quito. In reference to this Fidel stressed: The altitude did not affect me and the lack of oxygen is compensated by the warm welcome I received. Man does not live on oxygen alone.

Also during his talk with journalists, the chief of the Cuban revolution said that now, more than ever, there is more awareness in Latin America of our identity and independence. He said his stay in Ecuador is a very special occasion during a very special time because many changes have occurred in the hemisphere during the past 25 years. He recalled his last visit to South America and he added that he now is returning during a very historic time which is of much importance.

Fidel's meeting with the press occurred in the afternoon during a visit to the foundation-workshop of the great Ecuadoran painter Oswaldo Guayasamin. The Cuban president was met there by a multitude of people who were waiting for him for hours. In the road in front of the foundation the crowd also cheered and throngs of people followed Fidel to the cars of his entourage.

Witnesses say that the eyes of painter Guayasamin, a great artist of the continent, lit up with enthusiasm when he learned he would be Fidel's aide-de-camp during his stay in Ecuador.

Several people attended the artist's museum that Fidel visited including Danielle Mitterrand, wife of the French leader, as well as political leaders like Bolivia's Jaime Paz Zamora, Peru's Alfonso Barrantes, and El Salvador's Guillermo Ungo.

As our people know, Fidel arrived in Quito in the morning and was received at the airport by outgoing President Leon Febres-Cordero and other government authorities. At the airport Fidel said his visit is proof of Latin American integration in view of those who want to see disunity among the nations of this continent.

Fidel also visited the National Palace, laid a floral wreath at the (Los Vedos) Independence Monument, and paid tribute to Marshal Sucre at his tomb. In the evening, the commander in chief participated in a dinner offered by Febres-Cordero to the chiefs of state who are attending the transfer of power.

During his stay in Ecuador Fidel will hold talks with Ecuadoran authorities and with the chiefs of states from Argentina, Uruguay, Costa Rica, Venezuela, Colombia, and Nicaragua. The Cuban president will also meet with other politicians and continental personalities in what has been called a mini-summit.

Fidel is accompanied by Vice President Jose Ramon Fernandez, PCC Central Committee Secretary Carlos Aldana, Interior Minister Jose Abrantes, Vice Foreign Minister Ricardo Alarcon, and Council of State Secretary Jose Ramon [as heard] Miyar.

The presence of the Cuban leader in Ecuador yesterday occupied important spaces in the press of most South American countries.

The inauguration of the new Ecuadoran president, Rodrigo Borja, will take place during congressional sessions this morning and this afternoon. The presidential sash will be conferred upon Borja by congressional President (Wilfredo Lucero) in a ceremony that will be attended by foreign chiefs of state and special missions.

Borja, a 53-year-old lawyer from Quito, will assume the Presidency after two previously unsuccessful attempts during the period prior to the military dictatorships. He is considered to be a founder and ideological leader of the Democratic Left Party since 1970 and he is one of the six vice presidents of the Socialist International for Latin America.

Further on Comments

FL1108032088 Havana Television Cubana Network in Spanish 0000 GMT 11 Aug 88

[Excerpt] [Passage omitted] The president of Cuba, Fidel Castro, has been warmly welcomed during his visit to Ecuador, which has already lasted over 24 hours.

One of the first activities carried out by the chief of state of Cuba was the meeting he held (?with) Portuguese president, Mario Soares, in his residence. [Words indinstinct] international.

A few hours after having arrived here to Quito, capital of Ecuador, Fidel Castro visited the Guayasamin Foundation. Afterwards, he was at the residence of the great Ecuadoran painter. There he held a very pleasant conversation with journalists who have come to cover the presidential inauguration ceremonies.

[Begin recording] [Reporter] Why are you once again in South America after 17 years, and what has changed?

[Castro] It's been (?so many) years? How long has Pinochet been there in Chile?

[Reporter] He's been there 15 years, you know.

[Castro] Then it must have been about 13 years ago. It was in 1971.

[Reporter] It's been 17 years that you haven't come to this region.

[Castro] That's right. Pinochet's coup was afterwards.

[Reporter] You stopped by in Santiago and Quito.

[Castro] Yes. I stopped by in Santiago, Lima, and Quito. I arrived in the evening [words indistinct].

[Reporter] In December you were in Guayaquil.

[Castro] In December 1971.

[Reporter] No, it was more like 1972.

[Castro] Listen, why are you reminding me how long it's been? Not even I have noticed the time that has passed.

[Reporter] To ask you how you are doing now.

[Castro] How I feel? I actually feel well. Thank you for that question.

[Reporter] I wanted to ask you (?about) the region, South America, these countries for which... [changes thought] You have returned for a reason.

[Castro] Well, first of all, I returned because I was invited.

[Reporter] [Question indistinct]

[Castro] I think there is progress. I think this historic moment is important. How this transition is developing is important, and how the constitutional [word indistinct] are maintained is important. It seems to me that gives us some hope, it helps. Therefore, I think it's very important. Above all, however, I felt very honored by the invitation. Furthermore, (?through) the various sectors I found out that the visit was welcome. I must say that I have been warmly welcomed. I must say that the government cooperated as much as possible to arrange this visit. I have not had any problems. It's not very easy for me to travel, as you will understand; I don't wan't to talk about another subject. But it's not easy for me to travel.

[Reporter] [Words indistinct] of Cuba in the Latin American relation which is a bit [word indistinct].

[Castro] We are firmly (?reintegrated). This is a very special occasion during a very special time. There have been many changes in the hemisphere during the last 25 to 30 years. I would say that now more than ever we are more aware of our identity and independence. I also considered the invitation extended to me as brave, as a gesture of independence. I really appreciated it. What has usually happened has been the exclusion of Cuba. When we see that Cuba is included and invited, we must appreciate that in all its worth. This is a great motivation. As I was saying, it's not easy to travel. Not only because of the work we have, but we have been involved in all these negotiations dealing with southwestern Africa which are very important to us.

[Reporter] Do you think they are going well?

[Castro] Yes, they are going well. Then, it seems like when we travel we create a lot of work for a lot of people. [passage indistinct]

[Reporter] [Words indistinct] of the Ecuadoran and Cuban nations are gradually improving?

[Castro] I think so, although they have always been good.

[Reporter] Has the altitute affected you, Commander?

[Castro] No. Maybe I just haven't noticed it but I have (?felt) very active, and I think there is plenty of oxygen. (?However), if there wasn't as much oxygen, the warmth and hospitality would compensate for anything. Man does not live on oxygen alone. [passage omitted] [end recording]

Meets With Presidents

FL1108125488 Havana Radio Progreso Network in Spanish 1100 GMT 11 Aug 88

[Text] President Fidel Castro had a friendly talk yesterday in Ecuador with that nation's national Congress and with the other chiefs of states attending the inauguration of President Rodrigo Borja.

Inside and outside the Ecuadoran congressional vicinity, slogans of "viva!" for Cuba and Commander in Chief Fidel Castro were constantly heard.

In the morning, Fidel attended the farewell speech made by outgoing leader Leon Febres-Cordero.

In the early afternoon, Fidel travelled to the residence of the Costa Rican ambassador to Ecuador, where he had a private conversation with President Oscar Arias. It was reported that the two presidents discussed the problems of Central America with special emphasis placed on Nicaragua.

Fidel also met with Ecuadoran President Rodrigo Borja in his home. The meeting was held moments before Borja once again appeared before the Congress to receive the presidential sash and to be sworn in constitutionally de rigueur.

In this ceremony, the chiefs of states and foreign delegations had an opportunity for more than half an hour to speak among themselves without any protocol whatsoever.

Fidel sat between former Ecuadoran President Osvaldo Hurtado and Costa Rican President Oscar Arias. He held a lively conversation with them and also with Apostolic Nuncio Msgr Pablo Munoz Vega.

Fidel moved from his seat at a certain point to speak for several minutes with President Virgilio Barco of Colombia, a country with which Cuba does not have diplomatic relations.

The chief of the Cuban revolution also spoke with Argentine President Raul Alfonsin. It is known that Fidel requested a private talk with him.

When Venezuelan leader Jaime Lusinchi entered the room and began greeting his collegues from other countries, he stopped and spoke exclusively to Fidel.

Uruguayan President Julio Maria Sanguinetti also stopped to visit with the Cuban president and Fidel spoke briefly to him. Fidel also spoke with Portuguese head of state Mario Soares.

Fidel was seen to remark with laughter on the details of the congressional mural when its author, painter Oswaldo Guayasamin, greeted the visitors from the main platform.

U.S. Secretary of State George Shultz finally appeared during the afternoon session. It was reported that Shultz would not attend because the letters "CIA" were painted on Guayasamin's mural. According to Ecuadoran protocol, Shultz was seated exactly in front of that detail on the mural, just a few meters away from the visiting leaders. The head of the U.S. delegation was neither jeered at nor applauded by the more than 3,000 people who filled the parliamentary floor and who became ominously silent when Shultz entered. This contrasted with the reiterated "vivas!" for Latin American brotherhood and for Fidel, who several times had to express his appreciation for the greetings by raising his hand.

One can see images of Fidel and other revolutionary leaders in the murals painted around the Ecuadoran Congress and on other streets in Quito.

Observers have commented that the talks between the presidents attending the inauguration of Rodrigo Borja can be a bitter medicine for the Reagan administration's plans for Central America. The same sources say that it is not because they wanted to do so that some Latin American presidents upon arrival in Quito placed emphasis on affirming that the time has arrived for Latin American unity and integration. [sentence as heard]

Last night President Rodrigo Borja offered a dinner at the National Palace for all the chiefs of state present in Quito.

It was reported that Nicaraguan President Daniel Ortega will arrive in the next few hours at the invitation of the Ecuadoran leader.

Relations between Nicaragua and Ecuador will be renewed today with the signing of a protocol in the Foreign Ministry of the South American country. Borja said that this would be his first foreign policy act since relations were broken by outgoing leader Leon Febres-Cordero.

Yesterday during his inauguration, Rodrigo Borja described the crisis in his country as the greatest in the history of that nation. In his first message to the nation, Borja announced a dignified and sovereign policy that will recover Ecuadoran prestige abroad. He said that it is impossible for Ecuador at this time to pay its foreign debt because it is first necessary to attend to the needs of the people. He clarified that this is not a moratorium but a search for unconventional formulas for a solution to the problem.

The time has arrived to collectively declare peace in Latin America and to assume a loyal and firm commitment to promote regional cooperation, said Borja.

Rodrigo Borja is the 37th constitutional president of Ecuador.

Also yesterday during Borja's presidential inauguration, prominent politicians and people gave their opinion of the presence of President Fidel Castro.

Portuguese leader Mario Soares said the meeting he held with Fidel was very interesting and he expressed his satisfaction with the talks.

Colombian Foreign Minister Julio Londono stressed Fidel's gesture of attending the transfer of government in Ecuador. He said it is another demonstration that Cuba wants to become more integrated with Latin America.

Mexican Foreign Secretary Bernardo Sepulveda said the Cuban leader's visit shows that Cuba has become more integrated with Latin America and that his visit is one more step in that direction.

Former U.S. Ambassador to El Salvador Robert White said that Fidel's visit once again proves that the U.S. policy of isolating Cuba from Latin America is not working.

Lusinchi Arrives for Borja Inauguration

Foreign Minister's Welcome

PA1108003188 Quito Voz de los Andes in Spanish 1915 GMT 10 Aug 88

[Welcoming speech by Foreign Minister Rafael Garcia Velasco for Venezuelan President Jaime Lusinchi upon his arrival; at an Ecuadoran Air Force base near the Mariscal Sucre International Airport in Quito—live]

[Text] Your Excellency, president of Venezuela: It is with deep respect and friendship that the Ecuadoran Government and people welcome you and your distinguished delegation. A clear feeling of identity and unity have joined our people since the time when our republics were born. In Ecuador, we have paid true homage to the liberators. Undoubtedly this is what has contributed to the deep affection all Ecuadoreans feel for the Venezuelan people.

However, these sentiments that overflow from the heart and that find expression in words also manifest themselves in action, particularly during your administration, Mr President. Ecuador, the Ecuadoran people, cannot forget Venezuela's assistance during the time of great difficulty that the country—particularly its economy—underwent as a result of the March 1987 earthquake. Venezuela hurried to our aid. Thanks to Venezuela and its loan of 12 million barrels of oil, Ecuador's economy did not come to a complete halt.

There was no oil production. For over 6 months, we were unable to export this essential product basic to the development of Ecuador's economy. However, Ecuador's economy did not come to halt. Production continued thanks to Venezuelan aid. However, there was much more besides the Venezuelan aid. Many other things sprang from Venezuela and your government, Mr President.

That is why on this occasion of your return to Ecuador, I convey on behalf of the Febres-Cordero administration and the Ecuadoran people our warmest welcome and most sincere wishes for the friendship between Venezuela and Ecuador to further expand and flourish with each passing day. Welcome, Mr President.

Lusinchi Responds

PA1008204088 Quito Voz de los Andes in Spanish 1919 GMT 10 Aug 88

[Statement by Venezuelan President Jaime Lusinchi upon arrival in response to a welcoming speech by Foreign Minister Rafael Garcia Velasco; at an Ecuadoran Air Force base near the Mariscal Sucre International Airport in Quito—live]

[Text] Mr Foreign Minister Rafael Garcia Velasco: Thank you for your kind words of welcome on behalf of President Leon Febres-Cordero and the Ecuadoran Government. We felt duty-bound to come to Quito to congratulate the Ecuadoran people at this very important moment. In a democratic fashion, there is a transition of power following a free election. We were the first ones to say so.

Unforeseen circumstances prevent us from leaving Caracas for a 4- or 5-day period. However, the generosity of President-Elect Rodrigo Borja in breaking with protocol allows me to be here, even if for just a few hours, to bring a warm embrace and homage from the Venezuelan people to the Ecuadoran people.

You, Mr Foreign Minister, have been kind to recall Venezuela's presence when the March 1987 earthquake struck. We did nothing but our Bolivarian duty, our fraternal American duty. We came here to help a little, because we feel we have an obligation to Ecuador. We know Venezuela is loved here with deepest affection. We know that tribute is paid here to Bolivar, Sucre, and our liberators as perhaps in no other place, even in our own country.

Venezuela's obligation to Ecuador therefore is eternal and runs very deep. For that reason, we did something during that time of grief. I feel very pleased, Mr Foreign Minister, to be here, to convey our congratulations to the Ecuadoran people, and to express our recognition to President Febres-Cordero for having conducted a democratic process. To be sure, we bring our best wishes to Rodrigo Borja, my old friend during the time I was my party's international secretary and he, too, was involved in international politics.

So, I have come to express the best wishes of my government and people to the Ecuadoran people. We feel an unending affection for the Ecuadoran people and feel duty-bound to them forever. Greetings to the glorious Ecuadoran Armed Forces, which play an extraordinary, positive role in the democratic development and preservation of institutions [5-second break in reception]. Undoubtedly, such great friendship cemented by Bolivar and Sucre [5-second break in reception].